

# WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY



## DRAFT ANNUAL REPORT FOR 2023 – 2024 FINANCIAL YEAR

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# 1. MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

## 1.1 Component A: Mayor's Foreword

As guided by national planning instruments, our municipality progressively improves its strategic planning alignment with the District Development Model (DDM) principles and all other functional Intergovernmental relations system to ensure alignment with Provincial development plans and the Alfred Nzo District development plans. The continuously improving development planning alignment and implementation makes me proud present the record of our annual work during the past financial year (2023/24). We continue to work collaboratively with local stakeholders, national and international stakeholders in providing improved public services and development of the community residing in the 31 municipal wards of our municipality. We work relentlessly to finally realise our municipal vision of **"A vibrant socio-economic growing municipality that creates sustainable communities with equal opportunities for all"**. This report is another annual record of service delivery work undertaken during the period starting on the 01 July 2023 to the 30 June 2024 as a stepping stone towards the realisation of the municipal vision. The highlights of work done on our key service provision work is summarised below: -

- We constructed and rehabilitated 72,4 new kilometres of access roads;
- We maintained 201,3 kilometres of access roads;
- We provided electricity to 467 rural households that did not have electricity before;
- We managed to complete the construction of Mbizana Civic Centre;
- We trained and supported 22 local farmers;
- We provided Free Basic Energy & Free Basic Alternative Energy to qualifying indigent households.
- Collected refuse from **1438** urban area households and businesses and collected refuse in 17 rural wards; and
- We created 457 EPWP opportunities as we continue to fight poverty;
- We further trained twelve (12) new Crime Prevention Wardens for our Central Business District and enhance compliance with municipal by-laws.

The Municipal Council approved Integrated Development Plan (IDP) and the supporting implementation plans being the Budget and Service Delivery and Budget Implementation Plan (SDBIP), we ensured that our IDP is aligned to the Eastern Cape Provincial Growth & Development Plan (PGDP) priorities. This report further gives a detailed progress undertaken in correcting areas of poor performance as indicated in the IDP and the previous Annual Report. The municipality has made significant progress in providing basic services to all 32 municipal wards constituting our municipality, this happened with the support of other organs of state at provincial and national government spheres. This positive progress in providing services to our community was confirmed by Stats SA through the census report they issued during the year.

The Municipal Council continues to progressively extend the provision of basic services to all municipal wards, villages and households utilising the financial and available institutional capacity. The major challenge that we continue to face is that of exploring and implementing modern technologies to upgrade our rural access roads to a level meant to adapt to Climate Change consequences. We are continuously challenged by a huge backlog on roads maintenance which is exacerbated by the topography, climate change coupled with heavy rains and limited funding. However, the municipality is progressively increasing work efficiencies of our roads maintenance machinery in order to respond faster. We worked very hard on roads and bridges rehabilitation works due to terrestrial rains that cause extensive damages to many of our roads, destroy people's houses and destroy farmers crops and livestock. We pleased with funding support we receive from CoGTA and National Treasury for allocating us disaster funding in order to ensure speedy rehabilitation of roads and bridges.

I wish to extend Municipal Council's appreciation to our customers and rate-payers for continuing to pay their municipal service bills against the harsh economic conditions we all face as South Africans. Moreover, we request our government and business customers to settle their accounts. I again assure you that we are equally doing our best in ensuring proper and valuable usage of every rand at our disposal in advancing social and economic growth of our communities.

We continuously improve our public participation mechanisms in order to ensure that all community members across the age divide are able to talk to us. We have improved our social media platforms and municipal website for the benefit of the public, we have improved our response time to encourage and nurture communication. The Mayor and the Executive Committee members participated in radio slots such as "Talk to your Mayor/ Councillor" programme meant to inform and get the views of the community on how best to inform them about the work done by the municipality and the entire government. We truly appreciate the cooperation received from all our 32 Wards, our public participation mechanisms

were indeed successful, educating and rewarding. We managed to conduct our Mayoral Imbizo programme in an effort of ensuring people participation in the affairs of the municipality and to report progress on government projects and programmes. The Mayoral Imbizo meetings receive further community development needs and get feedback on the quality of services the municipality provides, this improves our Back2Basics programme whilst institutionalising District Development Model.

The Municipal Council reiterated its resolve to enhance electricity connections to the remaining un-electrified households. This we will do by also introducing an improved solar power system to the a few areas that are still not connected to the grid system. We are glad to report that all wards and municipal villages do enjoy some form of electricity supply. We are aware of the new extensions and settlements that do not have electricity services, we are working hard to ensure supply within the next few financial years.

We are working hard with our development partners and stakeholders in implementing the resolution of the Municipal Council to improve our work on the local economic development programme and projects in order to fight poverty and unemployment in our community. We are continuing as recorded in this report to implement the good lessons learnt through our participation in an international programme called Building Inclusive Green Municipalities (BIGM) as was facilitated by South African Local Government Association (SALGA). Federation of Canadian Municipalities (FCM) and the government of Canada. We have undertaken focused implementation of the manufacturing hubs programme with the support funding from National Treasury. The manufacturing hubs programme is meant to ensure improved productivity at our various wards, we have reported on the specific projects that we continue to support for economic development, poverty alleviation and reducing unemployment levels. This report further records work done in developing small agro-processing plants within our municipality in an effort of ensuring food security and economic growth.

In conclusion, we know the difficulties faced by our communities and we are responding to the best of our ability, this annual report is our recorded evidence. We are determined to do more through partnerships with our communities, development partners and funders. We are determined to improve our access roads that are continuously damaged heavy rains, we intend introducing new roads technologies that will be designed to withstand the current weather conditions.

We are continuously improving our institutional systems and reporting obligations in line with the expected legal prescripts. During the year 2023/24 we received an Unqualified Audit Report with findings a regression from the Unqualified Audit Report with no findings (Clean Audit) from the Auditor-General. We are determined to effect corrections and re-claim our Clean Audit outcome.

We are determined to serve you better!

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**Cllr TD Mafumbatha**  
**Honourable Mayor**

## 2. Component B: Municipal Manager's Foreword & Executive Summary

### 2.1 Municipal demographics overview

We are part of the Alfred District Municipality in the Eastern Cape Province, it covers an area of 2806 km<sup>2</sup> with 32 municipal wards. The municipality is 98% rural with a population of 319 943 people (StatsSA: CS: 2016). The Municipality is characterized by the youthfulness of its population with 47% of the total population less than 35 years of age and 48% of the population economically active. Consistent with the national trends, 55% of the population is women. The statistics tells us that we have to develop policies and programmes that will address the plight of the young people and women.

### 2.2 Good governance and Intergovernmental relations

The current Municipal Council is composed of 64 councillors from eight (8) political parties. The Municipal Council at its meeting in May 2023 approved a revised Integrated Development Plan (IDP) for implementation, the approval was done after extensive consultation with internal and external stakeholders. The IDP as the strategic plan for development informs the Municipal Budget and the annual Service Delivery and Budget Implementation Plan (SDBIP). The planning and implementation processes are guided by the assigned Powers & Functions of our municipality, which are listed below: -

Function	ANDM	WMM LM	Implementation Status	Challenges
<b>Schedule 4 Part B</b>				
Air pollution	X	N/A	N/A	N/A
Building regulations		X	By law under review as there were gaps identified during implementation	Illegal buildings due to non-compliance with approved building plans
Child care facilities		X	Progressing fairly	Keeping up with demand from communities
Electricity reticulation	X	X	Progressing well	Limited funds to
Firefighting Services	X	X	Vehicles and staff deployed by the DM	Vastness of wards and roads conditions in some areas
Local tourism	X	X	Progressing well	N/A
Municipal airports	X		N/A	N/A
Municipal planning	X	X	Progressing well	N/A
Municipal Health Services	X		N/A	N/A
Municipal Public Transport		X	Not implemented	Limited funding
Pontoons and Ferries	X		N/A	N/A
Storm water		X	Progressing	Limited resources
Trading regulations		X	By law gazetted and implemented	Rapid growth of traders within limited space
Water (potable)	X		N/A	N/A
Sanitation	X		N/A	N/A
<b>Schedule 5 Part B</b>				
Beaches and amusement facilities		X	Progressing	Seasonal operation and access due to roads leading to these facilities
Billboards and the display of adverts in public places		X	By law gazetted	Illegal billboards
Cemeteries, Crematoria and funeral parlors		X	One operating cemetery	Limited space
Cleansing		X	Progressing well	Currently utilising unlicensed dumping site
Control of public nuisances		X	By law gazetted and implemented	N/A
Control of undertakings that sell liquor to the public		X	Bylaw in process of promulgation	No by law in place which has resulted in illegal liquor trading especial in rural areas
Facilities for the accommodation, care and burial of animals		X	By law gazetted and service provider appointed to undertake removal and burial of animals	Removal of fencing along the main roads resulting to stray animals ge
Fencing and fences	X		N/A	N/A
Licensing of dogs		X	Bylaw gazetted	Illegal keeping of dogs
Licensing and control of undertakings that sell food to the public		X	By law gazetted	Non-compliance by traders with by law provisions
Local amenities		X	Progressing well	N/A
Local sport facilities		X	Progressing at slow pace due to limited resources	Maintenance of facilities and lack of ownership by communities

Function	ANDM	WMM LM	Implementation Status	Challenges
Schedule 4 Part B				
Markets		X	Temporal market place operational	Unavailability of space/land
Municipal abattoirs		X	Currently performed by DM	N/A
Municipal parks and recreation		X	1 park in town	Unavailability of space/land
Municipal roads		X	Progressing with back log	Maintenance of constructed roads
Noise pollution		X	By law gazetted and	Difficulty in implementing the bylaw due to cultural practices
Pounds		X	Animal pound operational	N/A
Public places		X	Non-available	N/A
Refuse removal, refuse dumps and solid waste disposal		X	In progress	Operating unlicensed dumping site
Street trading		X	Issuing of trading licensing progressing	Number of traffic wardens to keep up with the number of street vendors
Street lighting		X	Progressing	N/A
Traffic and parking		X	In progress	Increasing volume of motor vehicles in town
Disaster Management	X	X (Devolved Function)	Disaster management plan developed and adopted	Community understanding of disaster terms

This Annual Report for 2023/2024 presents work done during the financial year in implementing the assigned Powers and Functions as listed above. We can confirm to the community and readers of this report that we did all possible within the limits of the resources available to implement our legal mandate. We implemented the priorities of the community under the guidance of the Municipal Council approved IDP. We enjoyed better coordination and support of sector departments and State-owned entities through the revival of the Intergovernmental relations (IGR) and the District Development Model (DDM). We witnessed improvements in our IGR systems through enhanced projects planning, implementation and reporting. We have implemented enhanced public participation mechanisms in order to ensure vibrant community participation especially the youth and women who are the majority victims of poverty and unemployment.

### 2.3 Local Economic Development

Our main economic drivers as prioritised in the LED strategy are agriculture, tourism and mining and all require extensive investment for improved development and productivity. We have implemented various interventions in support of Small, Medium and Micro Enterprises (SMME) development and continued to maintain functional LED forum, Local Tourism Organisation and Annual business conference programme for information sharing, capacity development and marketing. The Municipality in collaboration with other key stakeholders supported SMMEs in all sectors through provision of training, funding, marketing, and creating access to markets and information. The Municipality has also assisted SMMEs to apply for government support funds for the sustainability of the small business sector, this report records interventions made in support of SMMEs. Our sectoral economic plans as revised and approved by Council also seek to attract and retain investors to invest in Mbizana for sustainable development and job creation. There are compounding environmental challenges coupled with lack of internal capacity to undertake key responsibilities in terms of our powers and functions. It is worth mentioning that the legislated powers and functions meant to improve socio-economic growth are being satisfactory implemented though experiencing weaknesses that require continuous improvement through sustained support.

The municipality has implemented the signed Memorandum of Understanding (MoU) with Ray Nkonyeni municipality a municipality in KwaZulu Natal Province, this MoU is on sharing best practices and acting collaboratively on the identified LED initiatives which include business licencing and business incubation. The municipality has continued to implement lessons learnt during a three (3) year partnership with Strathroy-Caradoc Municipality of Canada through the facilitation and the support of the South African Local Government Association (SALGA) and the Federation of Canadian Municipalities (FCM). The main objective of development partnerships is to enhance Local Economic Development with special emphasis on the most vulnerable groups such as the youth, women and people with disabilities. The municipality continues to progressively implement three identified projects for Building Inclusive Green Municipalities (BIGM) being the LED Institutional development; Business Incubator programme and Replication of the Rural economic Development Hub (the agro-processing initiative). We have implemented the Farmer Production Support programme (FPSP) for the purposes of improving the mechanisation and marketing of our RED HUB project at Ward 31. Moreover, we have started with Phase 1 in constructing Mbizana Trade Market Square in support of our informal traders operating in town. The success of this Market Square enjoys the support of the Department of Small Business Development and Small Enterprise Development

Agency. The last programme being implemented at its initial phase with the allocation of land for constructing a Cannabis medicinal hub implanted in partnership with Sibanye Stillwater and therefore the mobilisation of resources to establish a clone hub to supply cannabis growers.

## **2.4 Institutional Development & Transformation**

The municipality conducted an extensive review and thereafter approved all necessary institutional policies meant to ensure compliance with laws and regulations as well as to ensure improved internal business controls. All the sub-structures of the Municipal Council have Terms of Reference (ToR) that are approved and maintained relevant. The main Council sub-structures include the functionality of each Ward Committees, the Executive Committee (the principal committee of Council), Municipal Public Accounts Committee, the Audit Committee, standing committees covering all Key performance areas and administrative departments. Ward Councillors are chairpersons of ward committees which are responsible for discussing local development needs and concerns. The Municipal Council meets at least once a quarter to consider recommendations from the Executive Committee and/or the Standing Committees through the Executive Committee report that gets tabled at Council by the Honourable Mayor. The Executive Committee meets on a monthly basis to consider matters tabled to it by the Municipal Manager together with the management team.

The Organisational Structure for 2023/2024 was designed to achieve the strategic objectives of the municipality and was aligned to the 2021 Municipal Staff Regulations as issued by the Minister of Cooperative governance and Traditional Affairs and adopted by Council with a total of 307 positions and 256 positions filled and 51 vacant positions. The administration is clustered into six areas of service delivery or departments. There are five Section 56 Managers reporting to the Municipal Manager, all posts are filled on a permanent based employment contract. All senior managers meet the minimum competency requirements as prescribed by National Treasury and CoGTA.

The municipality has developed, adopted and is implementing a skills plan and an equity plan to guide our capacity building and training interventions. All the necessary policies guide the functioning of the municipality and the implementation of priorities by the workforce.

## **2.5 Financial Viability and Management**

Our municipality is one of the rural municipalities with a small revenue base generated largely from the only one small urban area comprising of the town and surrounding urban settlements, this makes the reliance on government grants funding unavoidable. The municipality continued to produce funded 2023/24 Annual Main and Adjusted budgets as per National Treasury assessments. We also report that the main budget together with the Adjustments budgets for the year were assessed by National Treasury as compliant and funded. The point about a limited revenue base is then demonstrated by the fact that of the total budget has only 18% of it as own funding and the remaining 82% as grant funding. However, due to three major projects that were implemented over the past three to four years, the municipality depleted its internal reserves at a time the revenue collection trends dropped due to the after effects of Covid19 and our struggling economy, this led to deterioration of our financial health. The municipality resolved on implementing a comprehensive revenue enhancement initiative coupled with an amnesty package for the identified categories and debtors age analysis. The municipality did not undertake any borrowings during the 2023/24 financial year and the near future but rather focus on implementing its revenue enhancement strategy.

The municipality operates reliable accounting systems that are able to produce reports as and when they are needed. The current accounting systems have translated into Unqualified audit outcomes over the past nine years due to on-going improvements on a consistent basis. The improvements are both on accounting systems as well as the operational systems within the institution. The Budget and Treasury Office is established and satisfactory staffed, and efforts are made to ensure that the finance personnel are trained on a regular basis to ensure that they are always informed of the changes that are happening within the local government financial management framework. The municipality is working hard to see more improvements in the management of public finances and public assets. The Auditor-General alerted the municipality to the concerning financial health as evidenced by the declining revenue collection.

Risk registers were developed for all departments within the municipality detailing the risks identified on all the strategic objectives outlined in the Integrated Development Plan, root causes and the rating of the effectiveness of the existing internal controls for the risks identified was performed.

### **The top ten (10) risks faced by the municipality were identified:**

1. Climate change
2. Untimely response to events of Disasters /calamity;
3. Poor use of natural resources (Land, Marine, General);
4. Unauthorised access to municipal system;
5. Easy access to municipal buildings that expose ICT equipment;
6. Long outstanding debtors and high impairment rate;
7. State of disasters has drastic impact of creating a credible disaster;
8. Inability to get accreditation entities within area of training;
9. Lack of appetite to study/improve amongst workers and councillors; and
10. Poor or none identification of skills gap

This report records all mitigating measures that have been effectively implemented and such has seen a reduction of the likelihood/ effects of risks identified in our risk profile. However, the municipality is mindful of the fact that some of the risks identified are inherent to the nature of the functions performed.

### **2.6 Basic Service Delivery**

This report records progress made in providing municipal public services to the community of Mbizana during the financial year, this is the functional area of work that creates value to the public whilst it also remains the most challenging in eliminating historical backlogs. The Alfred Nzo District municipality as a Water Services Authority and Provider has revived most of the water schemes in rural areas and plans are in place to reticulate water from the Ludeke dam. Our Water provision backlog is at 41,7% whilst that of Sanitation services provision backlog is at 49,1%.

The urban households and all businesses (urban & rural) including rural business hubs receive refuse collection services from the municipality. Electricity backlog is currently sitting at 9701 (13%) households pending completion of the current running projects, however, we estimate an additional 16000 growth of households that need electricity due to new households and newly established villages/ extensions. About 28% of households have no access to any form of telecommunications system. Those who have access are largely assisted by cell phone connectivity which is often hampered by poor network and signal coverage in some of the rural areas.

The Municipal Infrastructure Grant (MIG) together with Municipal Disaster Recovery Grant funding enabled us to construct and rehabilitate 72,4 KMs of new access roads at the end of the 2023/24 with a budget of R64 204 370,64 Million. We have a high roads maintenance backlog due to topography and the effects of climate change that compels a recurring need for road maintenance. The municipality has managed to maintain 201,3 KMs of gravel access roads during the financial year using internal roads machinery and external service providers.

We have improved provision of social amenities, community services, public health, improved road network, transport services, and social development services. The municipality does involve all sector departments' in the IDP Representative Forum and the Intergovernmental relations forum in order to integrate our infrastructure plans roll-out. This integration of work has led to notable improvement though more work still needs to be done in order to attain total alignment of work programmes/ projects. The municipality continuously updates its Comprehensive Infrastructure Plan in order to enjoy a responsive and well-coordinated infrastructure roll-out. The introduction of the District Development Model (DDM) as a government wide intergovernmental relations coordination mechanism promises better results in our public service function. We have also entered into a Memorandum of Agreement with CSIR for the purposes of producing well researched and scientific solutions that are responsive to the conditions of topography and climate conditions.

We exist to serve this community better.



### 3. The Municipal Context and Demographic Design

Winnie Madikizela - Mandela Local Municipality (EC443) was established in terms of Section 155 (1) (b) of the Constitution of the Republic of South Africa. WMM LM is one of the four category B municipalities falls within the Alfred Nzo District Municipality (DC44). It is located within the Wild Coast Region of the Eastern Cape Province along R61 connecting kwaZulu Natal South coastal boundary to the N2 highway. To the west and south the municipality shares common boundaries with the Umzimvubu, Ntabankulu and Ngquza Hill local municipalities. The Mtamvuna and Mtentu rivers form the northern and southern boundaries of the municipality. Dominant land users within WMMLM Municipality are mostly rural with a large emphasis on subsistence agriculture in the interior and some tourism development along the coast. The natural environment in the coastal belt of the area is in an unspoiled condition and has exceptionally high conservation value. The conservation value of the inland areas is significantly lower than the coastal areas due to human activities.

#### 3.1 Population Concerns

The total population of WMMLM has increased from 319 948 in 2016 to 350 000. WMMLM accounts above 35% of the total district population which makes it the largest in population size within ANDM.

Population by Households Census 2011- CS 2022			
2011		2022	
Total Households	62 479	Total Households	48 446
Average Household size	5,6	Average Household size	5,8

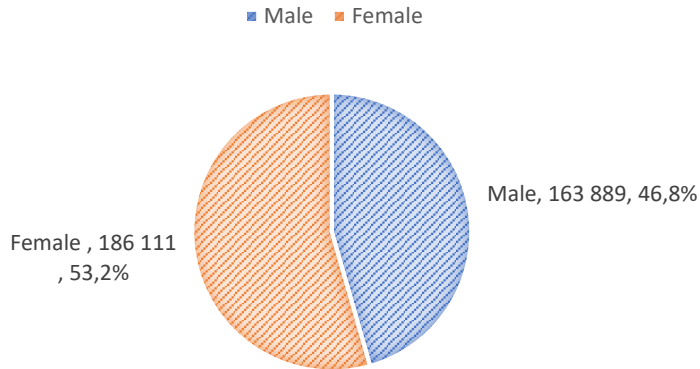
There are also factors such as migration of people into the municipality particularly in the urban area of Bizana for better employment opportunities and services this exerts pressure to the municipality as it has to increase its budget for service provision in town and mainly for indigent households. As the municipality is a boarder municipality there has been also a great noticeable migration of young people to KwaZulu Natal for employment some drop out of school this also affects education levels of the municipality. The municipality also experiences high HIV/AIDS prevalence rate due to migration of teenagers from KwaZulu Natal. Interventions have been developed by the municipality and NGOs to overcome this strategy. The table below illustrates population growth between 2011 and 2022 Census.

Population Trends Census 2016 – CS 2022							
Census 2011					Census 2022		
Total Population		Total (15-34years)		Youth Proportion	Persons aged 20 years completed grade 12	Total Population	
Male	128332	Male	43053	32,9	21278	Male	163889
Female	153573	Female	49789			Female	186111
<b>Total Population</b>	<b>281 905</b>	<b>Total Youth</b>	<b>92842</b>			<b>Total Population</b>	350 0

#### 3.2 Gender Distribution

The **Census 2011 and Census 2022 by Stats SA** simultaneously indicates the population of Mbizana is dominated by females at about 53.2% of the total population compared to 46.8% of males. The table below shows that about 186 111 (53.2%) of the total population of Mbizana is women against 163 889 (46.8%) which are males: C 2022.

## POPULATION DISTRIBUTION BY GENDER: CENSUS 2022



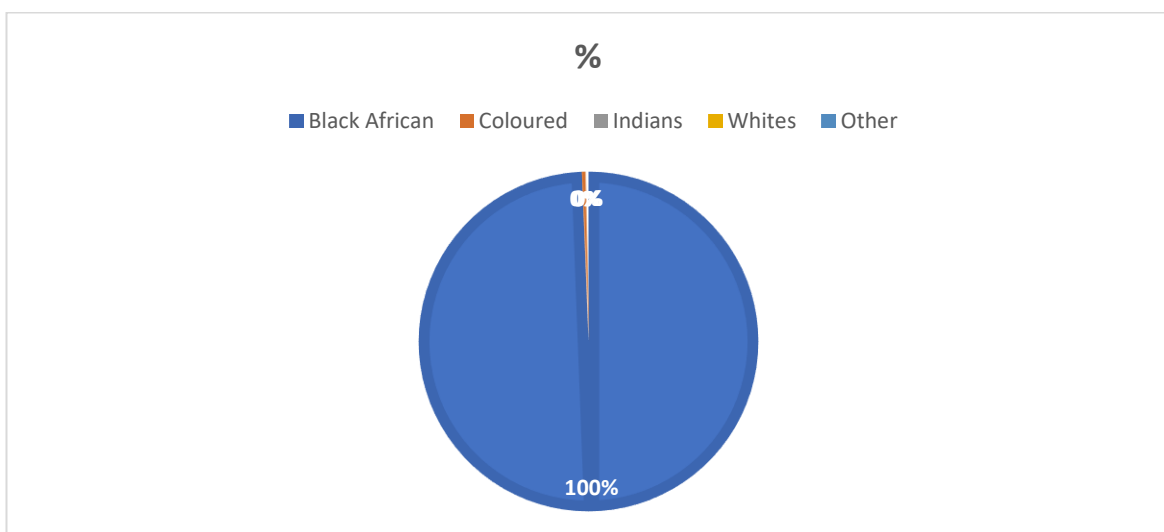
This indicates that there should be dedicated programs of integration and incorporation of women in key planning and decision-making roles of the municipality. Moreover, there is need for consideration of the following

- Promoting participation of women in policy making and development.
- Ensure involvement of women in economic development activities.
- Improving women's earning power and reducing vulnerability of women to poverty.

The following table indicates that according to census of 2022 by Stats SA about 1 of the total population is the youth ages between 15 to 34 years, of which 53.2% are women against 46,8% which are male.

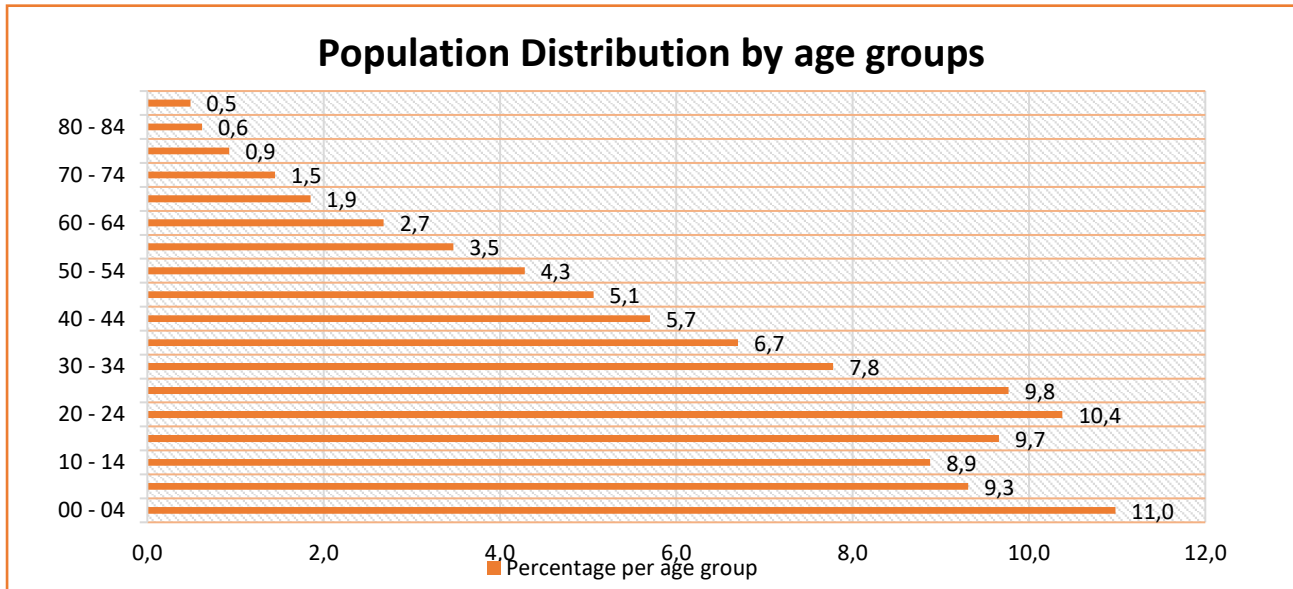
### 3.3 Population Distribution by Race

The largest population group in Mbizana is Black Africans at 99,4% of the total population followed by Coloureds at 0,3%, Indians / Asians at 0,1 %, Whites at 0, 1% and others at 0, 1% as demonstrated in the chart below:-



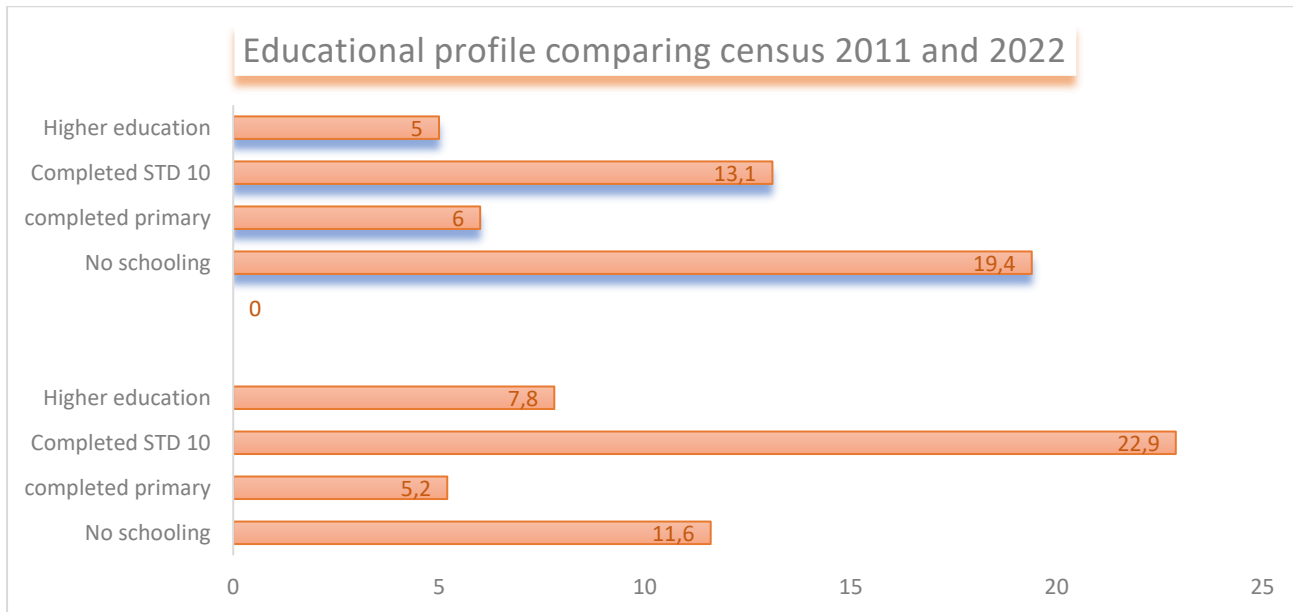
### 3.4 Population Distribution by Age groups

The age profile below shows that approximately 66% of Mbizana population is young people between 0 to 34 years old. These population trends oblige government in all levels to ensure that a large percentage of the budget is allocated to youth development and learner support programmes in order to deal with the needs of this majority section of our populations. The elderly people age group 60 and over accounts for 5,2% of the total population.



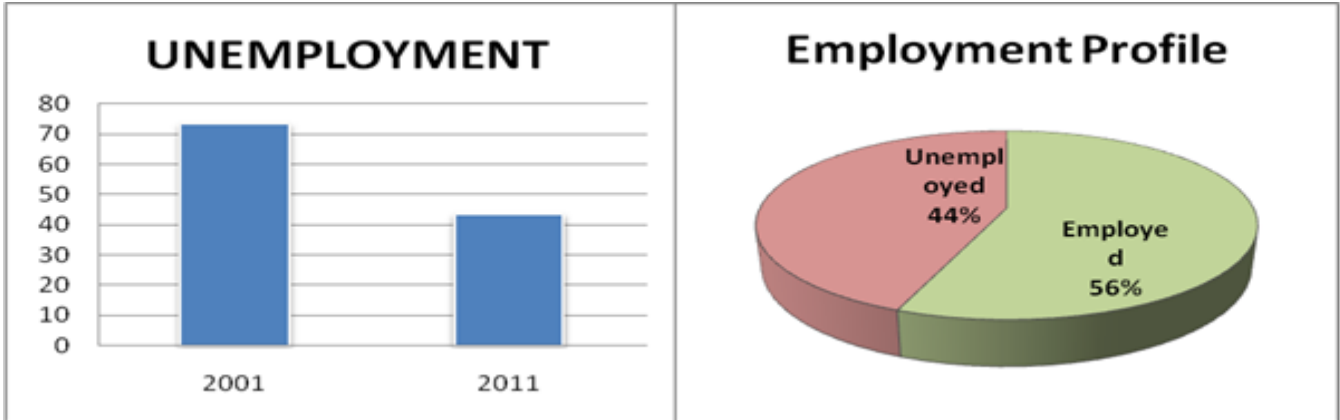
### 3.5 Educational Profile and Literacy Levels

Education plays a fundamental role in community development as it provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution states that everyone has a right to education. Educational levels for Mbizana are low with less than 50% of people attending at pre-school, primary schools and secondary school level. Only few people attend post matric studies and that calls for the government to have enough resources allocated for education as primary factor.



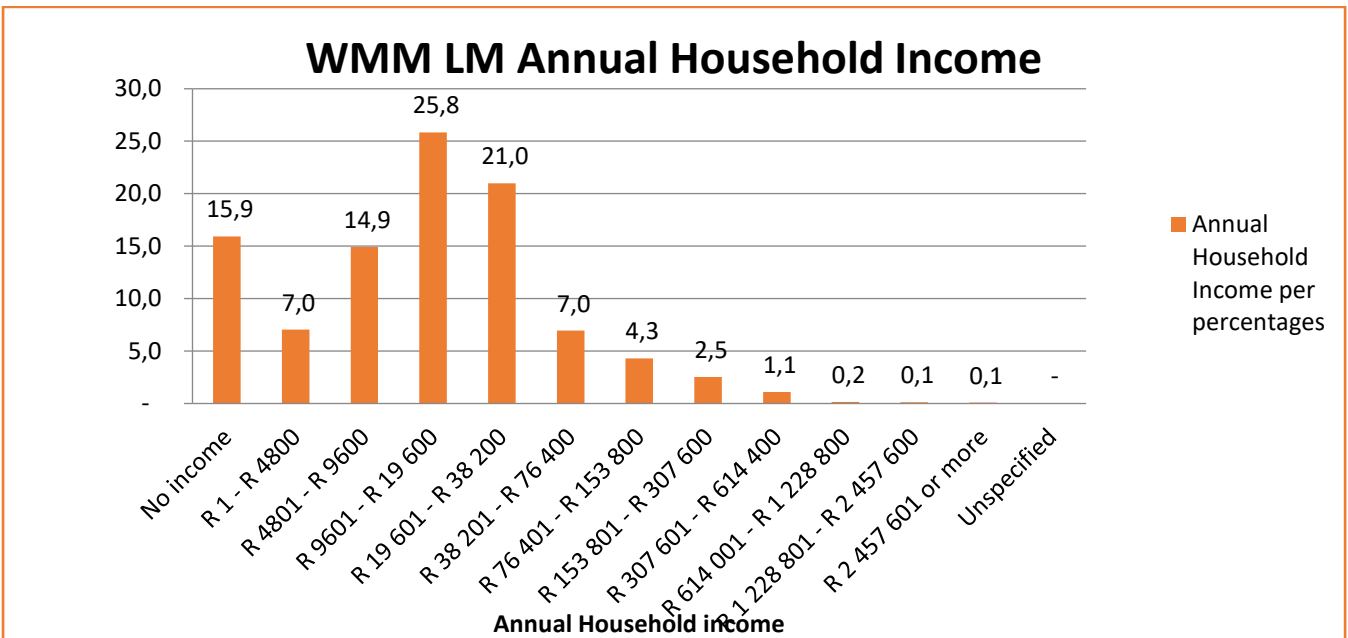
### 3.6 Employment Profile

The employment profile of WMMLM shows that unemployment rate declined between 2001 and 2011. In 2001 unemployment was 73.5% which dropped to 44% in 2011. Likewise, figure shows that people who were employed in 2011 were 56% compared to 44% of unemployed. This indicates that Mbizana has made significant strides in creating new job opportunities.



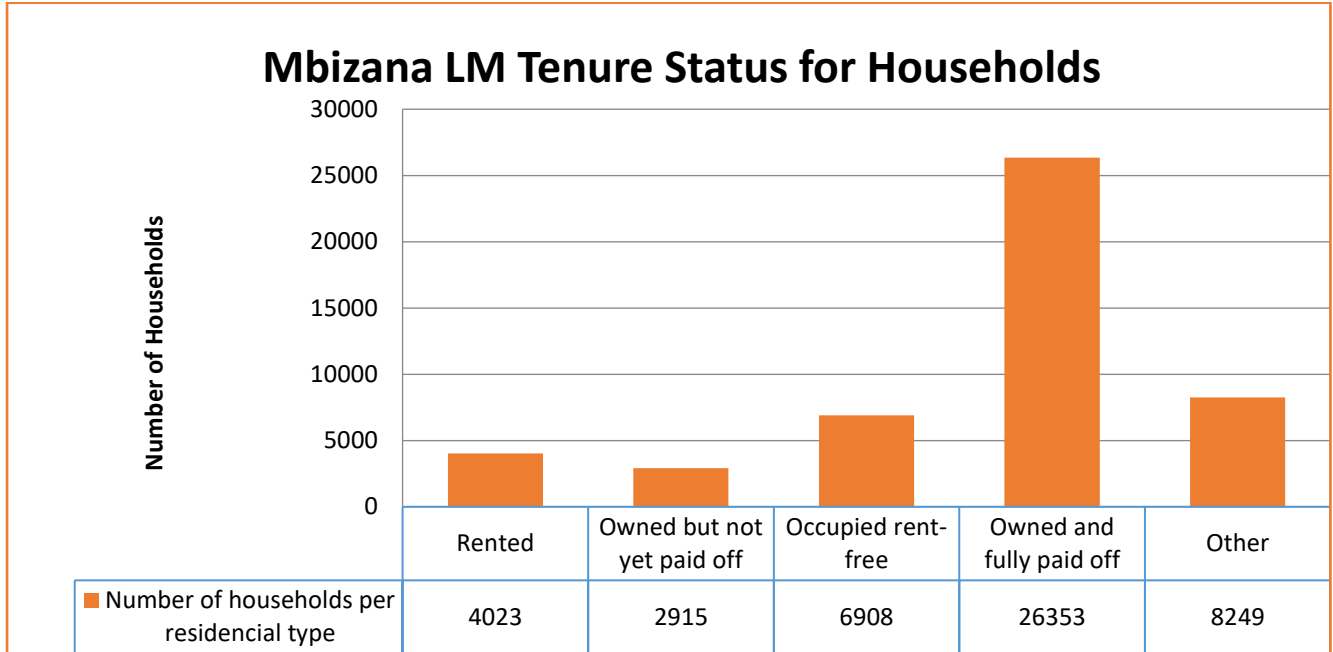
### 3.7 Household Distribution by Annual Income

According to Census 2011 by Statistics South Africa, approximately only 15,9% of people have no income and that shows another improvement as compared to 2007 community survey where 76% of the total population had no income. As shown in chart below the highest number of population which is at 25,8 is earning between R9 601 – R19 600 and the lowest number of population which is 0,1% is earning R2 457 601 or more.



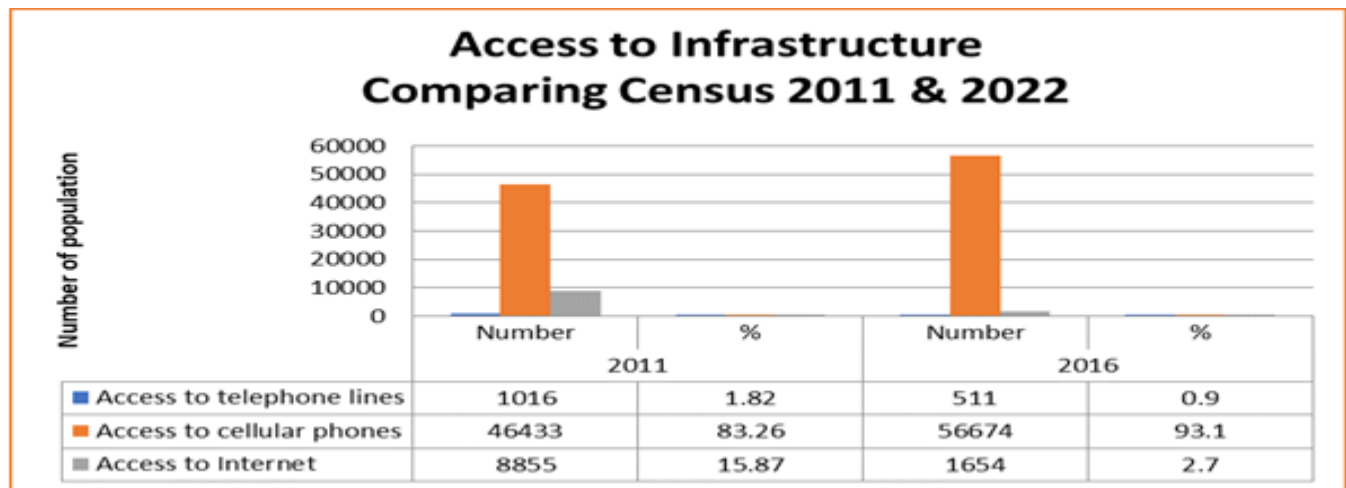
### 3.8 Tenure Status

There are different tenures within the municipality. However, it is encouraging that the majority of households either own or have paid off their houses. By 2022, the number of households that owned and fully paid off their houses were 54, 4%. This is encouraging houses are regarded as an asset for households.



### 3.9 Household Access to Infrastructure Services

According to 2022 Census, the majority of the total population of Mbizana depends on cellular phones for tele – communication and internet access as only 0,9% of the population have access to telephone lines and only 2,7% have access to internet services. The graph below illustrates the comparison between 2011 and 2022 Census.



## 4. AUDITOR GENERAL'S REPORT FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

### Report of the auditor-general to the Eastern Cape Provincial Legislature and the council on Winnie Madikizela-Mandela Local Municipality

#### 4.1 Report on the audit of the financial statements Opinion

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I have audited the financial statements of the Winnie Madikizela-Mandela Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, statement of cash flows 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Winnie Madikizela-Mandela Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

##### 4.1.1 Basis for opinion

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.

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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### 4.1.2 Emphasis of matters

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

##### Material impairments- receivables from exchange transactions

As disclosed in note 13 to the financial statements, the municipality reported a material allowance for impairment of R18 million (2023: R17,5 million) as a result of irrecoverable debtors.

##### Irregular expenditure

As disclosed in note 57 to the financial statements, irregular expenditure of R75 million (2023: R94,3 million) was incurred as a result of the municipality procuring services from a panel in contravention of section 217 of the Constitution of the Republic of South Africa Act 1996 and section 62(1)(d) of the MFMA.

##### Restatement of corresponding figures

As disclosed in note 63 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

##### 4.1.3 Other matters

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

##### Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

##### Unaudited supplementary schedules

Supplementary information set out in pages .. to .. 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.

**4.1.4 Responsibilities of the accounting officer for the financial statements**

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.

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.

**4.1.5 Responsibilities of the auditor-general for the audit of the financial statements**

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.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, forms part of our auditor's report.

**Report on the audit of the annual performance report**

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 key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

I selected the following key performance area presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key Performance Area	Page numbers	Purpose
<p><b>Basic service delivery</b></p>	<p>xx</p>	<p>To provide adequate water supply to communities            To construct and maintain roads and related storm water;            To ensure that all households have access to a reliable electricity network;            To ensure that all waste sites operate according to license conditions;            To ensure that all urban households have access to refuse removal services according to predetermined schedule;            To ensure that all citizens in WMMLM have access to well-maintained public amenities            To provide a safe and secure environment for all citizens;            To facilitate provision of housing for all qualifying beneficiaries</p>

I evaluated the reported performance information for the selected key performance area 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.

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 measures taken to improve performance.

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

I did not identify any material findings on the reported performance information for the selected key performance area.

#### **4.1.6 Other matter**

I draw attention to the matter below.

#### **Achievement of planned targets**

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

The table that follows provide information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any measures taken to improve performance are included in the annual performance report on pages xx to xx.



## Basic service delivery

<p>Targets achieved: 86%</p> <p>Budget spent: 86%</p>		
Key indicator not achieved	Planned target	Reported achievement
Number of Kms constructed from Sidanga Access Road with Bridges and concrete slab	Constructed 6,7km Sidanga access road with 3 bridges and 1,8km concrete slab by June 2024	Constructed 6,7km of Sidanga gravel access road with 1,8km concrete slab under construction with 2 bridges completed and one bridge that needs approaches. Notice of intention to terminate the contract issued to the contractor. Sidanga Access Road: Additional work done on site includes the following: <ul style="list-style-type: none"> <li>•Extra earthworks on the bridges as well as additional steel and earthworks on steep areas done</li> <li>•Additional length of 800m concrete slab not completed</li> </ul>
Number of bridges constructed for Thaleni access road	Constructed 1 bridge for Thaleni access road by June 2024	0 bridge constructed for Thaleni. Construction of access road and slab in progress, however bridge works have not yet commenced
Number of building infrastructure constructed	1 Mbizana civic centre constructed by June 2024	1 Mbizana civic centre construction is complete, outstanding is the delivery and installation of office furniture as per the approve scope.
Number of households connected and energized in Lower Etheridge Phase 2	Connected and Energized 105 households in Lower Etheridge phase 2 by June 2024	105 Connected households 0 energized households at Lower Etheridge Phase 2.
Number of households connected and energized in Msarhweni	Connected and energized 90 households in Msarhweni phase 2 by June 2024	60 Households connected and 0 households energized at Msarweni Phase2. Project complete awaiting to be energised by Eskom.
Number of households connected and energized in Zizityaneni	Connected and energized 315 households in Zizityaneni by June 2024	0 Households connected and energised at zizityaneni. A request for additional budget required to appoint a new contractor was submitted and approved by Exco on 21 June 2024. A memo to allocate the contractor was issued on 28 June 2024
Number of households connected and energized in Nomlacu	Connected and energized of 191 households (phase 2) in Nomlacu by June 2024	191 Households connected and 0 households energised. Project complete awaiting to be energised by Eskom.

<i>Targets achieved: 86%</i>		
<i>Budget spent: 86%</i>		
<b>Key indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
Number of damaged and faulty infrastructure replaced	Replaced 3 kiosks and 10-meter boxes in town by June 2024.	0 kiosk and 0-meter boxes replaced in town.
Number of public facilities Paved and landscaped	1 Paved and landscaped public facility in ward 04 by June 2024	0 paved and landscaped public facility. Service provider was appointed in June 2024. Project expected to be completed in the next 3 months
Number of dumpsite site fenced	01 EXT.3 Dumpsite fenced by June 2024.	0 Ext dumpsite fenced. However ,1km fence installed Slab for guardhouse installed
Number of municipal vehicles purchased	Purchased 1 waste management truck, 1 skip loader truck and 2 Bakkies by June 2024	Purchased 1 waste management truck Purchased 1 skip loader truck 0 Bakkies purchased
Percentage of maintenance done for robots, CCTV Cameras and calibration of machine,	Maintained 100% robots, CCTV cameras and calibration of machine by June 2024	100% maintenance of robots has been done. 100% Calibration of speed machine has been done.  0% maintenance of CCTV cameras.

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#### [Report on compliance with legislation](#)

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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.

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.

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, clear 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.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

#### [Expenditure management](#)

Reasonable steps were not taken to prevent irregular expenditure amounting to R167,5 million as disclosed in note 57 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the municipality procuring services from a panel in contravention of section 217 of the Constitution of the Republic of South Africa Act 1996 as well as the section 112(1) of the MFMA.

## Other information in the annual report

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The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.

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.

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 key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I have not yet received the annual report. When I do receive and read this information, and if I conclude that, there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

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## Internal control deficiencies

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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. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, and the material findings on compliance with legislation included in this report.

The report with recommendations provided by the internal audit unit was not implemented promptly and adequately by management to address or reduce findings raised through the external audit process.

The municipality did not have adequate systems to monitor compliance with all applicable legislation and, as a result, non-compliance with legislation was not prevented.

East London

30 November 2024



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**AUDITOR-  
GENERAL**  
**SOUTH AFRICA**

*Auditing to build public confidence*

#### **4.1.7 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

#### **4.1.8 Auditor-general's responsibility for the audit**

##### **Professional judgement and professional skepticism**

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected key performance area 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 a municipality to cease operating as a going concern

evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

##### **Communication with those charged with governance**

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.

#### 4.1.9 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), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)U, 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 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), 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), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
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), Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 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), 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)
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), 31
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)
	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2),

Preferential Procurement Regulations, 2017	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), Regulations: 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)

## 5. CHAPTER TWO: GOVERNANCE

### 5.1 COMPONENT A: Political and Administrative Governance

#### 5.1.1 Political Governance character

Municipality is governed by council which has mandated the Executive committee to exercise oversight over the administration as well as the speaker and the Chief whip overseeing constituency work.

INITIAL AND SURNAME	PORTFOLIO	COMMITTEE
Hon. Cllr T. D. Mafumbatha	Her Worship, the Mayor	Chairperson of Executive Committee
Cllr Z. Mhlwazi	The Speaker	Chairperson of the Council
Cllr M Mbele	Whip of Council	Council Whip
Cllr N. P. Mavundla	Chairperson	Municipal Public Accounts Committee (MPAC)
Cllr N Dlamini	Chairperson	Engineering Services
Cllr L.G. Mcambalala	Chairperson	Corporate Services
Cllr N. Madikizela	Chairperson	Budget and Treasury Office
Cllr L. Makholosa	Chairperson	Planning and Development
Cllr Y. Govana	Chairperson	Good Governance, SPU & IGR
Cllr N.M. Njomi	Chairperson	Community Services
Cllr N. E. Cengimbo		Executive Committee Member
Cllr N. Langasiki		Executive Committee Member
Cllr P.B. Majavu		Executive Committee Member

Political Office Bearers  
Executive Committee Members (NOVEMBER 2021– JUNE 2024)

**WINNIE MADIKIZELA-MANDLELA  
LOCAL MUNICIPALITY**



*Leadership*

**TROIKA**



Her Worship the Mayor  
Cllr TD Mafumbatha



Hon. Speaker  
Cllr Z Mhlwazi



Whip of the Council  
Cllr M. Mbhele

**EXECUTIVE COMMITTEE**



Cllr. Y. Govana  
Good Governance &PP



Cllr N.M Njomi  
Community Services



Cllr N Madikizela  
Budget and Treasury



Cllr L.G Mcambalala  
Corporate Services



Cllr L Makhlosa  
Local Economic  
Development



Cllr. N. Langasiki



Cllr P.B Majavu



Cllr N Dlamini  
Engineering Services



Cllr N.E Cengimbo

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## 5.1.2 Administrative Governance

At high level the municipality has six directorates each managed by a senior Manager

Heads of Departments including Municipal Manager	
<b>Municipal Manager: Mr L. Mahlaka</b>	<ul style="list-style-type: none"> <li>• Head of Administration and as accounting officer, takes responsibility of the overall performance of the organization, including: the transformation of the organization to one that is developmentally focused;</li> <li>• The development of an economical, effective, efficient and accountable administration equipped to carry out the task of implementing the municipality's Integrated Development Plan, operating in accordance with the Municipality's Performance Management System, responsive to the needs of the local community to participate in the affairs of the municipality;</li> <li>• Implementation of the Municipality's Integrated Development Plan and monitoring the progress with regard to implementing the plan;</li> <li>• Administering and implementing the Municipality's by-laws and other legislation;</li> <li>• Advising the political structure and political office bearers of the Municipality;</li> <li>• Rendering support to the office of the Mayor, Speaker and the Office of the Chief Whip.</li> </ul>
<b>Chief Finance Officer: Mr. Z.A. Zukulu</b>	<ul style="list-style-type: none"> <li>• Manages budget and treasury department</li> <li>• Implements integrated development plan and strategic goals of the budget and treasury</li> <li>• Provides support and advice to the Council and municipal manager</li> <li>• Implements service delivery budget implementation plan</li> <li>• Prepares and implement municipal budget</li> <li>• Prepares annual financial statements and other legislative financial management reports</li> <li>• Performs duties and functions delegated to CFO by the Finance Management Act</li> <li>• Manage efficient provision of municipal service</li> <li>• Establish, operate and maintain the support structures, processes and systems</li> <li>• Leads and directs staff in the department to ensure that they meet the objectives in line with the municipality's requirements and resources.</li> </ul>
<b>Senior Manager Community Services: Mr S. Mtshengu</b>	<ul style="list-style-type: none"> <li>• Ensures the development of appropriate Strategies, Policies and plans for all relevant areas</li> <li>• Directs the implementation of specific procedures, systems and controls associated with key functional areas embodied in the Community Services Departmental Structure</li> <li>• Provides Strategic leadership and planning for the department, Community development Management</li> <li>• Responsible for public safety, which amongst other things includes traffic management, security management and Law Enforcement.</li> <li>• Responsible Management of Community Facilities e.g. Community Halls, Cemeteries, Sports Fields, Libraries, and other Municipal properties.</li> <li>• Responsible for environmental management in general and the coordination of disaster management.</li> <li>• Coordinates and Monitors development of Sports, Arts and Cultural Programmes and development of social programmes</li> <li>• Alignment, creating awareness, capacity and relationship management in all stakeholder forums</li> </ul>
<b>Senior Manager: Corporate Services: Mr Z. Gwala</b>	<ul style="list-style-type: none"> <li>• Leading and directing the corporate Services Directorate</li> <li>• Ensures the Municipality is provided with an effective support services regarding corporate administration, human resources, information technology and legal services</li> <li>• Manages corporate administration functions which relate to the provision of record managements</li> <li>• Managing the directorates budget planning, implementation and budget review to support priorities and deliveries in the context of IDP</li> <li>• Advising the Municipal Manager timeously and effectively on matters pertaining the Directorate</li> <li>• Provides visionary and innovative leadership to diverse workforce, to ensure optimal utilisation of the Council's resources in terms of implementing its strategic objectives articulated in the IDP and in the fulfilment of its legislative mandate</li> <li>• Manages Human Resource portfolio in accordance with labour legislation and collective agreement</li> </ul>
<b>Senior Manager: Planning Development: Ms N. Mafumbatha</b>	<ul style="list-style-type: none"> <li>• Develops, co-ordinate and manage the operations of the planning and Development department, integrated Development Planning, Local Economic Development and Tourism sub-sections</li> <li>• Develops methodologies and approaches to guide specific urban design investigations and research processes</li> <li>• Manages developmental project management processes associated with scoping, resourcing, implementation, monitoring and communication</li> </ul>



Heads of Departments including Municipal Manager	
	<ul style="list-style-type: none"> <li>• Manages the IDP implementation and review process, advise the Municipal Manager on planning and development matters</li> <li>• Prepares reports on the activities of the component, as and when required to do so.</li> </ul>
Senior Engineering services: Mrs S.Sako	<ul style="list-style-type: none"> <li>• Manages complex civil infrastructure project from conceptualization, design, contract management, quality assurance and compliance, and ensure their proper integration to the local municipality's overall plan (IDP)</li> <li>• Performs financial monitoring through commissioning, operations and maintenance to ensure effective and efficient functioning of the department within the budgetary constraints of the municipality</li> <li>• Provides professional advisory services to the municipality</li> <li>• Manages all the department's contracts and tenders according to the approval of SLAs, council requirements, ensuring adherence to the SLAs, terms of reference, letter of appointment and contracted project time lines as per specification</li> <li>• Ensures that projects reflecting to IDP are registered in accordance with CIDB requirements</li> </ul>

**WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY**  
UMANYANO NGAMANDLA

**Mr L. Mahlaka**  
Senior Municipal Manager

**Mr S. Mtshengu**  
Senior Manager Community Services

**Mr Z. Zukuli**  
CFO: Budget & Treasury

**Miss N. Mafumbatha**  
Senior Manager Development Planning

**Mr Z. Gwala**  
Senior Manager Corporate Services

**Mrs S. Sako**  
Senior Manager Engineering Services

**30 YEARS OF FREEDOM**

## 5.2 Audit Committee Report for the financial year ended 30 June 2024

I am pleased to present our report for the financial year ended 30 June 2024 Preamble:

The report below is a report of the audit committee chairperson to be included in the annual report as mandated by the audit committee charter.

### 5.2.1 Audit committee Composition and attendance

The audit committee of Winnie Madikizela Local Municipality consistent of the following people with diverse skills ranging from strong finance and risk management acumen, governance, administrative and performance management skills. In terms of the audit committee charter, the committee should meet at least four (4) times per annum which is in compliance with good governance practice and MFMA.

During the financial year, 5 Ordinary meetings were held and 2 special meeting were held to review the annual financial statements for years ended 30 June 2023 and 30 June 2024.

MEETING DATE								
MEMBER	Ordinary Meetings					Special Meeting		Total Meetings attended
	18-Aug-23	11-Sep-23	17-Nov-23	13-Mar-24	28-Jun-24	30-Aug-23	28-Aug-24	
Ms. N.E Mungwane CA(SA) - Chairperson	0	0	0	0	0	0	0	7 / 7
Mr T Gwanya – Deputy Chairperson	0	0	0	0	0	0	0	7 / 7
Mr S Nelani	0	0	0	0		0	0	6 / 7
Dr M Phesa CA(SA)	0	0	0	0	0	0	0	7 / 7
Ms H Zantsi	0	0		0			0	4 / 7

### 5.2.2 Functions performed by audit committee

The audit committee reports that it has complied with its responsibilities arising from section 166(1) of the MFMA. The audit committee performed its function in line with the audit committee charter. The audit committee has not taken any executive decision and has solely acted as the advisory of the municipality as guided by the audit committee charter. The members of the audit committee have remained independent throughout the year. The audit committee also reports that it has adopted formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

### 5.2.3 The effectiveness of internal controls

In line with the MFMA, the internal audit function provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested

enhancements to the controls and processes. From the in-year reports of the internal audit function, it was noted that the control environment was mainly effective and the internal controls were mainly operating effectively. There were exceptions where the municipality needed to improve and strengthen the control environment or the effectiveness of the controls majority of which were noted and discussed in the Audit Committee Meetings and recommendations made to the council.

The quality of the in-year management and monthly/quarterly reports submitted in terms of the MFMA, MSA, and the Division of Revenue Act was consistent to the prior year with minor improvements needed.

The audit committee has noted the improvements in controls with respect to year-end financial reporting by ensuring the standards of GRAP are complied with. The Annual Financial Statements were submitted to Auditor General by 31 August 2024 after a thorough review by both the Internal Audit Function and the Audit Committee. No major adjustment to the Annual Financial Statements were performed except those agreed with the Office of the Auditor General emanating from the Communicated Audit Findings. The significant adjustments made to the Annual Financial Statements relate to:

1. Integrated National Energy Program ( INEP) to recognize and account for the Output VAT Liability.
2. The Recognition of the Irregular Expenditure in relation to appointed Panels appointed for construction and maintenance of roads infrastructure.

Management should diligently implement preventative controls to ensure that compliance with year-end financial reporting GRAP standards is maintained to avoid potential material audit adjustments. Management is encouraged to sustain adequate and proper oversight over the effective implementation of preventative controls with respect to supply chain management to prevent unauthorized, irregular, and wasteful expenditure. It is further recommended that management continue to place acute focus on the preventative controls to ensure that the performance management in-year reporting is credible. Consequence management must continually be implemented to ensure that internal controls remain effective throughout the year.

**5.2.4 Internal audit**

The audit committee reviewed and approved the internal audit charter and the risk based annual Internal audit plan, evaluated the independence and effectiveness and performance of the internal audit function, and reviewed the work performed by internal audit on a quarterly basis and the implementation of internal audit recommendations.

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality.

The following management disciplines were reviewed by internal audit during the year:

No.	Description
1.	Performance management
2.	Revenue management
3.	Expenditure management
4.	Governance
5.	Human resources management
6.	Supply chain management
7.	Bank and cash management
8.	Inventory management
9.	Technical Services (Infrastructure)
10.	Budget and Reporting
11.	Investigation of wasteful, fruitless, irregular and unauthorized expenditure
12.	Information Technology
13.	Annual Inventory Stock Count
14.	Asset management
15.	Year-end reporting: annual financial statements and annual performance report

The audit committee will continue to monitor implementation of management corrective action and the enhancement of the control environment in the 2024/2025 financial year.

The internal audit function played a critical role in assisting management in addressing findings related to its compliance reviews over supply chain management, revenue management, performance management and year-end financial reporting. The work of internal audit contributed to unqualified audit outcome of the year under review. The audit committee recommends that management response to internal audit findings be completed in a timely manner.

The internal audit function maintained its independence and objectivity throughout the year under review.

### **5.2.5 Risk management**

The municipality had appointed a Risk Committee chaired by Independent External member. The Risk committee is still at its infancy stage. The Risk Committee has its charter, however the audit committee is still responsible for Audit and Risk Management of the Municipality. Therefore, the Audit Committee invites Risk Committee representation to the audit committee meetings to present Risk Management Report.

The Risk committee identified the top 10 risk and revised the Risk registers. The audit committee recommends that the Risk Management should be maintained as the responsibility of management and that the Municipality must always ensure that the Top 10 Risk are speaking to the main focus areas of the Municipality that require urgent attention. These top risks do not necessarily need to be 10 they can be less than 10. The top Risks of the municipality need to be attended and be the topic in every Risk Management Committee Meeting. The Audit Committee further recommends that the Risk Management strengthen the control on risk management, appoint risk champions and do the risk assessment and separate roles from the preparation of risk assessment and internal audit function. The Audit Committee will continue to exercise its advisory and oversight function in respect of risk management.

### **5.2.6 Performance management**

The audit committee reviewed the in-year performance reports and performance results reported by management. The reports were found to be consistently good quality. However, the IA had not done extensive work in auditing the performance management. This work is included in the following year's IA plan.

### **5.2.7 External audit: Auditor General of South Africa - (AGSA)**

The office of the auditor general South Africa (AGSA) has been invited to all the audit committee meetings as observer except to the special meetings where the committee reviews Annual Financial Statement. The relationships with Auditor General in terms of communication and attendance of meetings has improved from prior year. The audit committee has been involved in the discussion of the audit strategy, attended audit steering committees by AGSA, and the final reporting thereof of the management letter and the final audit report. The audit committee has reviewed such reports and contributed its inputs. The audit committee is satisfied with the independence of the Auditor General (South Africa) and the Audit Committee has noted the Audit Opinion/ Outcome of the municipality as indicated by AGSA and the management report thereof.

### **5.2.8 Evaluation of the annual financial statements**

The audit committee reviewed the annual financial statement prior to submission to the Auditor General. The significant changes to financial statements related to the communicated audit findings by Auditor General that warranted the adjustment. The committee also discussed the audited financial statements to be included in the annual report, with the Auditor General South Africa, reviewed the Auditor General South Africa's management report and managements responses thereto, reviewed the entities compliance with legal and regulatory provisions, and reviewed significant adjustments resulting from the audit. The audit committee accepted the Auditor General of South Africa's audit report on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor General of South Africa.

## 5.2.9 Areas of concern and recommendations

**Fleet Management:** Fleet management function is recommended to be moved from Corporate Services to Asset Management as the function solely belongs to Asset Management- The root cause for the continuous ineffectiveness of controls or weak control environment in fleet management is caused by this positioning of fleet management section.

**Consultants Management:** On various reports, it has been noted that there is a weakness in monitoring of consultants used in the infrastructure development function. The committee recommends strengthening the monitoring of such functions. Some instances the reports have suggested that the appointed service providers often do a desktop exercise in drafting documents which would not measure the actual scope of work to be done. Some instances have been noted where the document specified another municipality instead of WMMLM which is the evidence desktop exercise or copy and paste. A number of instances have been noted where the BOQ does not speak to the actual work that needs to be done and no satisfactory justification would be obtained from management of such significant difference. The committee strongly recommends adequate monitoring of such consultants' work prior to allocating the work.

**Accurate Budgeting and monitoring of the stages of completion before payment:** A number of projects have been not completed within the original budget and that has caused the disagreements between the Municipality and the Service providers which could cause delays and not finishing work that was contracted to be done and leads to projects not being complete or being completed by another service provider. AG has noted the discrepancy and continuous adjustments of the budget for project. The audit committee recommends a diligence and accuracy to be applied on budgeting for the projects and continuous monitoring of the stages of completion prior to effecting payments to the suppliers.

**Project Management:** The committee also recommends the diligence in project management. A number of instances has been noted where the projects would be delayed due to inadequacy of management of the projects. The IA function has noted a number of instances where the project managers wouldn't be able to show the work that has been done during the verification and showing lack of knowledge on their areas of responsibility. The Project managers need to diligently account for the projects that they are allocated to. The committee therefore recommend the accountability to the monitoring and evaluation session by project managers

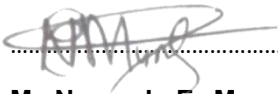
**BID Committees and procurement:** The time it takes for the BID committees to evaluate, and award has a significant contribution to expediting the service delivery. The time it has taken the municipality for these committees to conclude the processes has reached an expiry of the validity period on a number of instances. The committee recommends the council consider shortening the time it takes for the bid committees. Further recommendations are made on thorough diligence in review of documents by all the BID committees to avoid fruitless and wasteful expenditure.

## 5.2.10 Conclusion

The unqualified audit outcome has been an indication of regression of the municipality from the previous 3 years where the municipality had sustained the clean audit. This regression due to the appointment of the panel that has been regarded as irregular expenditure is a learning curve to the

municipality as it is a new challenge to the municipality. The audit Committee has faith in Management led by the Municipal Manager that this hurdle will be handled well in the current financial year and have much confidence that the municipality will therefore return to its status of clean audit in the next financial year. The audit Committee appreciates the commitment of the Municipal Manager, the Chief financial officer, the internal audit function, management and staff on their diligent efforts, strong work ethic and the exercise of due care. The audit committee is optimistic that council and management will overcome this regression and get back to the position of clean audit in the future. The council and management must embrace this challenge and commit itself to clean audit outcomes into the foreseeable future.

The audit committee expresses its gratitude to the council, her worship the Mayor, the Chairperson of MPAC, the Municipal Manager, the Chief financial officer, senior management and the administrative staff and the AGSA for their outstanding commitment, purposeful efforts, and cooperation with the audit committee throughout the year. The audit committee relies extensively on the work of internal audit. The work undertaken by internal audit has paid off. The audit committee expresses its gratitude to the Manager: Internal Audit and the whole team for assisting the audit committee to carry its duties throughout the year.



**Ms Noncedo E. Mungwane**  
**CA(SA) Chairperson of the Audit**  
**Committee Date: 16 /01/2025**

### 5.2.11 Resolution Register

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
<b>Minutes of the 18 August 2023</b>											
Findings 1.1   Q4-2022/23	8	Expenditure Management	The consequence management should be taken on the issue of overpayment of the supplier	Senior Manager: Corporate Services	17-Nov-23	The matter was taken up with the Manager: Revenue and Expenditure to carry out progressive disciplinary action against the affected official	Acknowledgement of debt by the service provider was signed and subsequently payment by 31st December 2023 was made	Resolved	Proof of payment was further submitted to Internal Audit for verification	Proof of Payment	Resolved
<b>Minutes of the 17 November 2023</b>											

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Findings Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
None	7	Updated Audit Committee resolution register	Mr Gwala should provide consolidated actions taken for item 2 (28.02.2023), item 2 and item 3 (29.05.2023) in the next audit meeting	Senior Manager: Corporate Services	Quarter 2	With regards to item 2 Training and Development Policy does provide for the recovery of funds in the case of a failure to complete studies. This is provided for in both the May 2022 and July 2023 policy versions. On item 3 we affirm that information ought to be provided without delay.	Training and Development Policy does provide for the recovery of funds in the case of a failure to complete studies. This is provided for in both the May 2022 and July 2023 policy versions. Management has hed the call of the Audit Committee by making sure that evidence is provided all the times before disputing the find of the Internal Audit	Resolved			
Findings 1.1 to 1.6   Q4 - 2022/23	9	Fleet Management	Mr Gwala to provide progress report on all the outstanding issues raised findings and consequence management report, if any	Senior Manager: Corporate Services	Quarter 2	All the employees/drivers affected in the reported transgressions were taken through disciplinary process in the presence of unions and were issued with warnings. That was done on the 6th of December 2023. We reached an understanding in that meeting that future transgressions starting from the 3rd quarter of 2023/24 i.e. from January 2024 will be referred to a formal	No matter subsequent to the sitting on the 6th December 2023 has been brought to the attention of the Corporate Services that warranted referral to the disciplinary process.	On going			

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
						disciplinary process.					
<b>Minutes of the 13 March 2024</b>											
Findings 4   Q2 of 2023/24	10	Contract Management	Follow up on the car wash matter be conducted, and report in the next meeting accordingly	Senior Manager: Corporate Services	31-May-24	The report has been referred to the office of CFO for verification and assisting in establishing the reasons for the change of registers at the point of payment.		In progress			
None	10	Contract Management	All findings related to Contract Management will be directed to the Supply Chain Management department. It will be the responsibility of SCM to ensure that departments do not extend contracts without involving them	Chief Financial Officer	31-May-24	SCM and CFO will scrutinise the contract management during July 2024 for completeness and accuracy purposes	Corrective measures are currently implemented such as the involvement of Contract Custodians in all Contract that require extensions to ensure proper Application of S116 of MFMA	On going			
<b>Minutes of the 28 June 2024</b>											
Findings 3	Item 9	Expenditure Management Q3	Senior Manager of Corporate Services should take reasonable steps to address this matter and implement	Senior Manager: Corporate Services	30-Sep-24	On the issue of implementing consequence management on an employee: initial processes had been started to gather and collate available evidence. In the next audit		In progress	Noted the response by SM Corporate Services. Subsequent review will be conducted		



RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
			consequence management on the affected personnel			we will be reporting the actual disciplinary steps taken.					
Finding 2	Item 9	SCM Tenders Q1	Municipal Manager should take reasonable steps to address fraudulent and improper act by the affected service provider	Municipal Manager	30-Sep-24	The office of the Municipal Manager communicated with the Municipal Manager of Matatiele Local Municipality in writing, soliciting confirmation of whether the service provider in question was appointed by Matatiele LM for Electrification Project or Supply and Delivery of Laptops. The letter of enquiry was acknowledged by the Municipal Manager, we are still awaiting response.		In progress	Management comment is acknowledged and progress is noted and appreciated.	Signed letter of enquiry to the Municipal Manager: Matatiele Local Municipality.	
None	Item 9	Internal audit reports	In determining the market, the municipality must benchmark and set parameters for the highest and lowest prices on the specification	Chief Financial Officer	30-Sep-24						

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
Findings 4	Item 9	Fleet Management	Further investigation must be done on the register and controls around car wash services and report accordingly in the next meeting.	CFO and Senior Manager: Corporate Services	30-Sep-24						
Findings 1	Item 9	Records Management Q1	Staff awareness and Standard Operating Procedures (SOPs) be established for records management, and the issue of records be included in the risk register as a high risk	Senior Manager: Corporate Services	30-Sep-24	Finding 1 Standard Operation Procedures are the drafting stage. A completed draft will be signed by the Senior Manager: Corporate Services once ready.		In progress	A review of SOP will be done during the second quarter of the financial year		
None	Item 9	Internal audit reports	Further investigation must be done on the full construction of the guard house, and report accordingly in the next meeting.	Senior Manager: Engineering Services	30-Sep-24	Apart from the apparent lack of capacity, which we lack to investigate, I fail to understand how as the end user I can be allocated responsibility to investigate an issue that my office was administering.	The matter was referred to MPAC for further investigation	In progress			
<b>Minutes of the 30 September 2024</b>											
None	Item 8	Resolution Register item	The matter of Construction of Municipal	Municipal Manager	30-Nov-24	The MPAC committee has not yet sat for consideration	The MPAC committee has not yet sat for consideration	In progress			

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
			Guard House is referred to the MPAC for further investigation			of the matter at their disposal.	of the matter at their disposal.				
<b>Finding 1</b>	<b>Item 9</b>	SCM Tenders Q4	The verification of referral letters and appointment letters should be conducted before awarding, regardless of whether the letters appear suspicious or not.	CFO/Manager SCM	30-Nov-24	Accounting Officer is in the process of reporting the service provider to the SAPS	Accounting Officer is in the process of reporting the service provider to the SAPS	In progress			
<b>None</b>	<b>Item 9</b>	SCM Tenders Q4	The Municipal Manager should take necessary action against the service provider who submitted the fraudulent documents.	Municipal Manager	30-Nov-24	Accounting Officer is in the process of reporting the service provider to the SAPS	Accounting Officer is in the process of reporting the service provider to the SAPS	In progress			
<b>None</b>	<b>Item 9</b>	SCM Tenders Q4	The contract of the service provider who submitted fraudulent documents should be cancelled, and any irregularities should be	Municipal Manager	30-Nov-24						

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
			disclosed if present.								
None	Item 9	Fleet Management Report	Fleet management unit should fall under Asset management unit.	Municipal Manager	30-Jun-24	The matter will be presented to the Council by end of January 2025 by the Chairperson of the Audit Committee	The matter will be presented to the Council by end of January 2025 by the Chairperson of the Audit Committee	In progress			
None	Item 9	Fleet Management Report	Consequence management should be implemented if it is determined that there has been misuse of municipal vehicles.	Senior Manager: Corporate Services	30-Nov-24	The matter is under investigation by the Corporate Service Department together with the department concerned	The matter is under investigation by the Corporate Service Department together with the department concerned				
None	Item 9	Fleet Management Report	The municipality should add an option to the tracker system to enable personnel from the fleet office to receive notifications whenever an incident occurs with a municipal vehicle.	Senior Manager: Corporate Services	30-Nov-24	The tracker company has been notified and reported that they will upgrade their tracker system because it is old. The Fleet Management section is waiting for that upgraded tracker system	The tracker company has been notified and reported that they will upgrade their tracker system because it is old. The Fleet Management section is waiting for that upgraded tracker system.				
None	Item 9	Occupational Health and Safety Management Report	An action plan must be formulated for all the raised findings, and a report should be provided	Senior Manager: Corporate Services	30-Nov-24	The Corporate Service is still busy developing the plan for all the findings raised by Internal Audit	The Corporate Service is still busy developing the plan for all the findings raised by Internal Audit				

RESOLUTION REGISTER						MANAGEMENT REPORTING			INTERNAL AUDIT REPORTING		
Finding Ref	Minutes Ref	Report/Description	Resolution	Responsible official	Turnaround time	Management comment/progress	Management comment/progress as at December 2024	Current Resolution Status	Internal Audit Comment as at November 2024	POE/Evidence submitted	Current Resolution Status as at November 2024
			at the next meeting detailing the progress on each finding.								

**6. COMPONENT B: INTERGOVERNMENTAL RELATIONS**

**6.1 Intergovernmental Relations**

As per the IGR Framework Act No 13 of 2005 is to establish the framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations, to provide for mechanism and procedures to facilitate the settlement if intergovernmental disputes, and to provide for matters connected therewith. WMMLM developed and adopted IGR terms of reference during 2023/24 financial year which serve as a guideline for managing local intergovernmental relations for quarterly meetings were planned for the year and all four set, mostly all were in discussion of Integrated development planning matters. Challenges noted revolves around non-attendance by some senior managers both from the municipality and other government departments.

The Mayor of WMM local Municipality and the Municipal Manager participate in District Mayor’s Forums and make inputs on issues Mbizana needs the attention of the District Mayors Forum. Issues discussed in the Mbizana IGR forum find expression in the DIMAFO agenda. Both the Mayor and municipal manager attend MUNIMEC meetings in which issues of relations across spheres of government are discussed. Except participation in Mbizana IGR forum relations of WMM local municipality with other social partners takes place through Operation Masipathisane at local war rooms. Here local sector departments and the municipality work together in facilitation of service delivery through joint problem solving. Some of the issues that face our Communities which are critical are in Education, Health, and Human Settlements.

**7. COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

**7.1 Public Meetings**

The municipality has established 32 ward committee structures with 10 members per ward with the Ward Councillor being the chairperson (320 members) and administratively supported by councillor support assistants (32) and community development workers (CDW) 19 currently. Their function is to assist ward councillors in conducting village and ward meetings to ensure proper service delivery and dissemination of information within communities. All ward committee members were inducted on legislations governing the municipality, roles and responsibilities, municipal communications strategy, conflict management and Code of conduct of ward committees.

Ward committee structures convenes monthly meeting with ward councillor as a platform to engage and discuss their respective communities needs from village level. They also organise participants and consult traditional leaders and other structures prior the public consultation meetings as part of deepening and strengthening public participation. Another structure at the ward level is the Ward War Room which is composed of all stakeholders in a ward convened at least once a quarter being provided secretariat support by CDWs. Round table meetings are held with CDWs each quarter to share municipal program and their role to play during those activities and crafting of activities to respond on the challenges discussed during round table meeting. The municipality uses IDP Representative Forum, Mayoral Imbizo, Roadshows, Public hearings, Radio slots, Municipality Facebook page as public participation platforms. The municipal council reviewed the public participation policy and was adopted on the 26 May 2023. Community education programs were conducted in 12 wards in strengthening the knowledge of communities in their role during consultative processes.

## 7.2 Public Comments from Mayoral Imbizo Held

Mayoral Imbizo program was held from the 31st of October to the 06th of November 2023 where stakeholders were invited to all wards, about 1072 people in total were in attendance.

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
31/10/2023	12	<p><b>DIAMOND</b></p> <ul style="list-style-type: none"> <li>New access road from Diamond J.S.S to Mzambana was requested.</li> <li>Creation of job opportunities during construction of RDP Houses</li> <li>Request for RDP houses</li> <li>Empowerment of SSMME'S</li> <li>Support of Retailers on spaza shops</li> <li>Request for Additional toilets</li> </ul> <p><b>IHLABI</b></p> <ul style="list-style-type: none"> <li>Maintenance of access road starting from R61 to Mhlabi SSS.</li> <li>Request for RDP Housing</li> <li>Creation of job opportunity</li> <li>Spaza Shop support</li> <li>Request for Clinic</li> </ul> <p><b>MFUNDAMBINI</b></p> <ul style="list-style-type: none"> <li>Maintenance of access roads</li> <li>Water provision</li> <li>RDP Housing provision</li> <li>Toilets provision</li> <li>Creation of job opportunities</li> </ul> <p><b>NTLANEZWE</b></p> <ul style="list-style-type: none"> <li>Requested: Water</li> <li>RDP Housing</li> <li>Toilets</li> </ul>	Road maintenance from Mhlabi to Crossing	<ul style="list-style-type: none"> <li>Intervention on high number of unemployed youth in Ward.</li> <li>Recreational facilities should be built to assist young people</li> <li>Learnerships are selective</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Maintenance of access road</li> </ul>		
31/10/2023	19	<ul style="list-style-type: none"> <li>Thokozani access road in a bad condition, needs maintenance</li> <li>Nonja to white city needs maintenance</li> <li>Ntlozelo to Monti needs blading</li> <li>Bridge should be prioritized at Qandashe</li> <li>Access road from Ntlozelo to Shukuma school needs rehabilitation</li> <li>Requested RDP houses.</li> </ul>	<ul style="list-style-type: none"> <li>Incomplete toilets project</li> <li>Incomplete RDP houses</li> <li>Ntlozelo Access Road incomplete</li> </ul>	<ul style="list-style-type: none"> <li>Kids were not able to go to school during rainy days at Mqeni due to a dam in the road</li> <li>Mdelwa school is at Ward 22 not ward 19.</li> </ul>
31/10/2023	20	<ul style="list-style-type: none"> <li>Access road from Imizizi Clinic to Nongeke S.S.S needs to be maintained. This road needs urgent intervention as a result an Ambulance overturned due to the road that was slippery.</li> <li>Paving of outside Community Hall was requested.</li> <li>Request for RDP Houses</li> <li>Identification sign for toilets (Female or Male)</li> <li>Request for Provision of water tanks to access clean water.</li> </ul>		Contractor at Stanford SPS left without completing the work. All access roads need to be maintained they are very bad. Follow up with Department of Agriculture with outstanding inputs be done.
31/10/2023	22	<ul style="list-style-type: none"> <li>Request for installation of water pipes at Nqabeni.</li> <li>Contractor to complete the subsidized houses that has not yet been completed.</li> <li>Provision of water to the villages at large.</li> <li>Road maintenance in all villages especially the road at Dakane has potholes.</li> <li>Construction of RDP houses for people living in Slums.</li> <li>Electrification of new homes</li> <li>Job Opportunities/ employment for the village Youth.</li> <li>Installation of toilets</li> <li>Placement of a garbage / waste bin in Tubani village.</li> </ul>	<ul style="list-style-type: none"> <li>Water tanks were provided at Lukholo, Dakane and Mathumbu Villages but there is no water.</li> <li>50 subsidized / RDP houses in Lukholo have been built. Solar panels have been installed in some homes, but they are not recurring.</li> </ul>	IEC, village people are refusing to vote again because they vote every year but when there are vacancies for elections, job opportunities are given to working people to do the job. IEC do not even announce who they selected for employment
31/10/2023	23	<ul style="list-style-type: none"> <li>On waste management services, the community appreciate the programme but complained about the collection of the waste as it is not regular, they therefore recommend that a person responsible for management of waste be employed and that he/she must be from the ward.</li> <li>R61 - Vulindlela Access Road in-house maintenance was done but not completed as the road was only bladed, it is not accessible after the heavy rains. The road must be provided with quarry stones.</li> <li>Sea view -Msomi Access Road, Galavani A/R, Plangeni - Dipini Access Road blading was completed but need to be provided with quarry stones as they are not accessible after heavy rains.</li> </ul>	<ul style="list-style-type: none"> <li>Water projects must be speed up as it has been a long time for the community not having access to water. Human Settlement must also consider the beneficiaries of Phase 1 housing project.</li> </ul>	<ul style="list-style-type: none"> <li>Municipality must ensure that EPWP workers who resigned or passed away are replaced.</li> <li>Municipality must capacitate the SMMEs from this Ward.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
31/10/2023	24	<ul style="list-style-type: none"> <li>Public Library was not under Winnie Madikizela Mandela Local Municipality as per the IDP.</li> <li>Request for the municipality to provide refuse collection services to ward 24 villages.</li> <li>Library at Wild Coast Sun needs maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Public Library was not finished.</li> <li>Reformed and Mzamba mouth disaster project were not completed.</li> <li>Mthimkhulu emabhanoyini structure was not completed.</li> </ul>	<ul style="list-style-type: none"> <li>Sirhasheni access road was not completed.</li> <li>Need the waste management services to provide a large bin between Kipi and Ebenezer village.</li> <li>Ebenezer community hall need to be built toilets.</li> <li>Ward 24 has no water.</li> <li>Life guards who were employed by EPWP need to be employed permanently.</li> <li>Request for RDP houses.</li> </ul>
31/10/2023	29	<ul style="list-style-type: none"> <li>Employment of local people should be prioritized when doing projects.</li> <li>Requested for construction of Pelepele to Sifebe access road.</li> <li>Community appreciated the installation of speed humps and Mngungu to Bulala access road.</li> <li>Access road needs rehabilitation in Ntunjani, Tankini to Sheltheni and Mditshwa to Mathambeni.</li> <li>Requested for Ntunjani to Pelepele speed humps.</li> </ul>	<ul style="list-style-type: none"> <li>Request for installation of water taps, so that it will be easy to identify leaking pipes.</li> <li>Speed humps need to be repainted because they are not visible.</li> <li>Pelepele Road needs drainage pipe because the water is not flowing and causes water in the middle of the road</li> </ul>	<ul style="list-style-type: none"> <li>Junction to Greenville access road is in a very bad condition and needs to be redone</li> <li>Request for RDP house for child headed families. (Nzama household needs urgent assistance)</li> <li>Bizana post office issue needs intervention.</li> <li>Local farmers requested assistance from the department of agriculture.</li> </ul>
01/11/23	02	<ul style="list-style-type: none"> <li>Goxe Access road needed quarry</li> <li>Mkhandlwini Access road need to be maintained.</li> <li>No access to clean Water at Mkhandlwini Village</li> <li>Fencing of Maize Fields</li> </ul>		Community wanted to know how long does it take for the Municipality to do Maintenance. Farmers request assistance with tractors.
01/11/23	03	<ul style="list-style-type: none"> <li>Nombane to Makhabaludaka Road in a bad condition and needs quarry</li> <li>Qabangeni access road in a bad condition</li> <li>Mdletshe to Longweni in a bad condition</li> <li>Ncedabantu next to Lukhanyo school in a bad condition</li> <li>Access road from Matshangase clinic to Komkhulu needs maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Incomplete toilets project.</li> <li>Incomplete RDP houses.</li> </ul>	



DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Request of RDP house</li> </ul>		
01/11/23	08	<ul style="list-style-type: none"> <li>Request for Maintenance of Libraries</li> <li>Provide waste management services to rural areas.</li> <li>Request for Ndakeni village access road.</li> <li>Dwerha village has no water</li> <li>Ngalatyeni village has no water</li> <li>Dudumeni village has no water</li> <li>Ndakeni village has no water</li> <li>Need for RDP houses</li> <li>Ndakeni village needs electricity</li> <li>There should be a slab next to Somadlangathini</li> </ul>		<ul style="list-style-type: none"> <li>Water pipes are non-functional and results to a lack of water supply challenge.</li> <li>Galatyeni village needs a slab.</li> <li>Need the sport ground for youth.</li> <li>home.</li> </ul>
01/11/23	09	<ul style="list-style-type: none"> <li>Luphilisweni Access Road was constructed in a short space of time there are dams in the road, the road must be revamped as it is not accessible.</li> <li>Ward be provided with electricity infills.</li> <li>All water schemes in the ward must be maintained whilst waiting for the bulk water to be supplied.</li> <li>Access Road to Ndayini School must be maintained.</li> <li>Farming projects must be funded by the municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Gwabeni Access Road – The in-house plant did not finish the work as a result the community members are not confident about the in – house project, they prefer the outsourced plant.</li> </ul>	<ul style="list-style-type: none"> <li>The community appreciated the presence of the Alfred Nzo District representatives but asked them that in future their presentation / documents must be made available for the community members for future reference as there were no documents available for them.</li> <li>In future, Human Settlement officials must be part of the Imbizos as there are some questions that need to be addressed by them that the municipality cannot answer.</li> <li>Youth must be skilled and must be informed about LED programs.</li> <li>Envis to Zanokhanyo must be provided with EPWP workers.</li> </ul>
01/11/2023	10	<ul style="list-style-type: none"> <li>Bridge and Slab on Ntlenzi via Mbonjeni to Mcetheni Access Road.</li> <li>Promised 1000 RDP houses use to appear on previous IDP Documents but never constructed.</li> <li>Maintenance of Market stalls at Ntlenzi - Fencing, Electricity, Toilets and Renovations.</li> </ul>	<ul style="list-style-type: none"> <li>Boreholes constructed but no water coming out.</li> </ul>	<ul style="list-style-type: none"> <li>Learnerships are selective.</li> <li>Employment opportunities are scares for ward 10 young people.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Requested sport field with various codes.</li> <li>Requested RDP houses.</li> </ul>		<ul style="list-style-type: none"> <li>Temporal Structures were requested.</li> </ul>
01/11/23	11	<ul style="list-style-type: none"> <li>Promised 1000 RDP houses use to appear on previous IDP Documents but never constructed.</li> <li>Requested sport field with various codes.</li> <li>Requested RDP houses.</li> </ul>	<ul style="list-style-type: none"> <li>2 households were left with meter box, no installation</li> <li>Some of the houses, only poles next to the house were left, no cables installation</li> <li>Ngqindilili community meter box is not working.</li> <li>Some families in Mdikisweni their meter boxes were left unattended.</li> <li>Infills at Madada village</li> <li>Infills at mandlobe village</li> <li>Infills at Sgondlweni village</li> <li>12 families need temporal structures after they were affected by storms</li> <li>Outstanding of 10km on maintenance road D123</li> </ul>	<ul style="list-style-type: none"> <li>12 families need temporary structures.</li> <li>Employment opportunities are scares for ward 10 young people.</li> <li>Temporal Structures were requested.</li> <li>Fence at the clinic need maintenance</li> <li>Criteria of employing EPWP workers is not fair</li> </ul>
01/11/23	18	<ul style="list-style-type: none"> <li>Request for water tanks in Goqoza to Mthamvuna, because the area does not have access to water.</li> <li>Request for running water, ablution facilities and fixing of the Road in Ncenjana.</li> <li>Maintenance of Plangweni to Ntangeni access road.</li> <li>Request for access road in Mfuneli, Plangweni to Dandi.</li> <li>Request for maintenance of the road Plangweni to Mpunzi.</li> <li>Request for Joqo to Mbodla access road.</li> </ul>	<ul style="list-style-type: none"> <li>Clarity on completion of RDP houses.</li> <li>Mabuya access road is incomplete because it was done halfway and its condition is now worse.</li> </ul>	<ul style="list-style-type: none"> <li>The municipality needs to conduct youth development programs in Nyaka village to assist unemployed youth.</li> <li>Request for a mobile clinic and a mobile police station because Imizizi clinic is too far for the elderly.</li> <li>Employment age limit to be increased to 35 years.</li> <li>Request for random inspection by government officials especially after heavy rains.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
02/11/23	14	<ul style="list-style-type: none"> <li>• A Community hall must be maintained</li> <li>• Qadu water scheme not functioning.</li> <li>• A community library be constructed in the ward.</li> <li>• Maqedeni Access Road to be constructed.</li> <li>• All access roads be maintained as they were mostly affected after heavy rains.</li> <li>• RDP Houses be constructed in the ward.</li> <li>• Manabhele to Mthentshwana access road must be constructed.</li> </ul>		<ul style="list-style-type: none"> <li>• All government departments must be part of Imbizos.</li> <li>• As the hospital was officially opened it must be fully operational.</li> <li>• Honourable Mayor must be part of the Imbizos as there are promises she made that were not fulfilled. Employment at the municipality must be transparent.</li> </ul>
02/11/23	15	<ul style="list-style-type: none"> <li>• Mabhekuteni to Daku in a bad condition</li> <li>• Ngogo to Khanyayo main road need to be bladed</li> <li>• Request RDP house</li> <li>• Access road from Ngogo via police station to Gxeni in a bad condition.</li> <li>• Bridge at Mdakana to Mncwathi be prioritized,</li> <li>• Access road from Holly cross to Mateku in a bad condition.</li> <li>• Labane to Mabhekuteni in a bad condition.</li> </ul>		Temporal structures need to be changed to permanent houses at Mncwathi
02/11/23	16	<ul style="list-style-type: none"> <li>• The installed Borehole is non-functional</li> <li>• Mthayise access road need a drainage pipe</li> <li>• Mpisi village has no water.</li> <li>• Mthayise village needs maintenance of o access road</li> <li>• Mlindazwe village needs maintenance of access road Komkhulu.</li> <li>• Maintenance of Bhovulengwe access road.</li> </ul>		
02/11/23	21	<ul style="list-style-type: none"> <li>• The 2021/2022 budget had approved budget for the construction of water in Ntika, but the project did not commence. Provision of clarity in progress was requested.</li> <li>• Request for Wi-Fi in Thembeni and Greenville high school</li> <li>• EPWP said there will not be enough funds to hire more people in 2024, why does the municipality say it will employ.</li> <li>• Request for a sports field because Madumbeni is overloaded and is not a proper field.</li> <li>• Request for RDP houses in Scambeni.</li> </ul>	<ul style="list-style-type: none"> <li>• Dotye access road is incomplete.</li> <li>• Request for assistance with Hlolweni bridge because it is broken, and children are unable to cross.</li> <li>• Housing project incomplete</li> <li>• The water supplied by the municipality is dirty and cannot be used for drinking.</li> </ul>	<ul style="list-style-type: none"> <li>• The water pressure cannot reach areas that are far from Nyaka because of small engines. The municipality needs to pump water from the Mtamvuna river.</li> <li>• Request for blading of Greenville to Maqasha access road.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Lukhalweni preschool has no water and the road to the preschool is too bad, vehicles cannot travel that road.</li> <li>Request for Ntika shelter to Mayila access road</li> <li>2 community halls in the ward are completely worn out, request for a community hall or fixing of the existing ones.</li> </ul>		
02/11/23	25	<ul style="list-style-type: none"> <li>Sikhombe Access road at Xholobeni Village need to be Maintained.</li> <li>They had a problem of unregistered meters</li> <li>RDP Houses at Dumasi Village</li> <li>Jama Access road need to be constructed</li> <li>No electricity at Jama Village</li> </ul>	Electricity incomplete	<p>There is no service delivery at Jama Village</p> <p>How much is the Budget for Dumasi Access road.</p> <p>Moscow access road and Baleni access road does appear in this document</p> <p>Documents be translated in isiXhosa. 05 household were left behind during the installation.</p>
02/11/23	28	<ul style="list-style-type: none"> <li>Road to be maintained at Mdaka</li> <li>Request for water at Lundini.</li> <li>Installation and maintenance of roads</li> <li>Installation of electricity at Mngungu Village.</li> <li>Request Municipal Mayor to visit the ward.</li> <li>Request for Pre-School at Xophozo Village.</li> <li>Demarcation of Gumzana Village as ward 28.</li> <li>Request for financial support to entrepreneurs.</li> <li>UMtshawedikazi road to be maintained.</li> </ul>	<ul style="list-style-type: none"> <li>RDP Houses not completed</li> <li>Solar panels installed but not working / in no good condition</li> <li>Sidatya Road completely maintained.</li> <li>Mngungu Road maintained but incomplete.</li> </ul>	<ul style="list-style-type: none"> <li>Scarcity of transport around the villages.</li> <li>High rate of Orphans in the village.</li> <li>Village youth in need of Job opportunities.</li> <li>Request for food in Schools.</li> </ul>
03/11/23	01	<ul style="list-style-type: none"> <li>Request for an elderly centre in town</li> <li>Dumping site access road is not maintained, the information on the report is incorrect.</li> <li>Highland road is too bad, and cars struggle to drive there.</li> <li>There is a problem with a box next to Kitty's house, the cable needs to be fixed.</li> <li>Illegal dumping next to the municipality and Highland.</li> <li>The municipality needs to remove street vendors because they are blocking the walkway and making the town untidy</li> <li>Sewage pipes in town needs to be fixed.</li> <li>The post office issue needs intervention.</li> </ul>	<ul style="list-style-type: none"> <li>Ext 4 mini market is not complete</li> </ul>	<ul style="list-style-type: none"> <li>The refuse and sewage from dumping site are going to the river, the municipality needs to plant certain plants that can be able to protect the environment.</li> <li>Ward 7 dumping site, the type of soil there is not suitable for the construction of a dumping site.</li> <li>The municipality does not include local recyclers</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Foreign nationals selling expired goods to the people, environmental health needs to do random checks in their shops.</li> <li>Request for street lights in town, especially in dark areas because people are being robbed at night.</li> <li>Ndabisa to Ndunge access road needs to be fixed.</li> <li>Water taps are non-functional.</li> <li>Request for fixing of the road going to St Patricks school.</li> </ul>		<p>when conducting awareness campaigns.</p> <ul style="list-style-type: none"> <li>Closing dates need to be specified especially on the business incubator adverts.</li> <li>Request for clarity in delay of the civic centre construction</li> <li>Highland road contractor to please work neatly and provide a one-way to allow cars to pass.</li> <li>The municipality needs to issue out notices about electricity faults and load shedding.</li> </ul>
03/11/23	06	<ul style="list-style-type: none"> <li>Tsawana clinic needs structure</li> <li>Ndunge to Jali access road was not done</li> <li>Andile to Mbongweni access road in a bad condition</li> <li>Mpindweni access road to Tsawana need maintenance in a bad condition.</li> </ul>	Masimini to Jai road incomplete	<ul style="list-style-type: none"> <li>Ndunge to Jali Access road was not done</li> <li>Mbongweni access road does not appear on IDP.</li> </ul>
03/11/23	07	<ul style="list-style-type: none"> <li>Poor state of the ward, no projects and inhouse maintenance is unacceptable by the villagers.</li> <li>Municipal Mayor must follow up the breakdown of the ward.</li> <li>Request for housing project.</li> <li>Maintenance of road that separates ward 6 &amp; 7.</li> <li>Maintenance of road that goes to schools.</li> <li>Request for sanitation.</li> <li>Request for toilets</li> <li>Request for 500 RDP Houses in Jerusalem.</li> <li>Request for RDP Houses in Nompumalanga.</li> <li>Construction must continue to fix water pipes.</li> <li>Heavy rainfalls made a huge damage at eKhaleni School and also affected the nearby homesteads.</li> <li>Request for electricity in Pre-School.</li> </ul>	<ul style="list-style-type: none"> <li>Electricity is completely installed.</li> <li>Road maintenance is recurring at eKhaleni.</li> </ul>	<ul style="list-style-type: none"> <li>Izinini project has claimed to be ward 06 projects not ward 07.</li> <li>Villagers must be informed when there will be no water.</li> <li>Lack of job opportunities around the ward.</li> <li>Request for School WI-FI</li> <li>Announcement of meetings to be made by the ward councillor.</li> </ul>
03/11/23	13	<ul style="list-style-type: none"> <li>RDP Houses at Mathwebu Village</li> <li>Khotsho Access road to be constructed.</li> <li>RDP Houses at Khotsho Village</li> <li>Street lights at Matwebu Village</li> <li>Kopana Access road need to be Maintained.</li> </ul>	Water access	<p>Access road to graveyard does not appear</p> <p>Other areas do not have access to water.</p> <p>Community wanted jobs not handouts.</p>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
				Kopana to Daza Access road need an urgent intervention. Community raised an issue of a person responsible for Agriculture that they are not happy with the way he/she operates. Crime is very high- community Forum need to be supported.
03/11/23	17	<ul style="list-style-type: none"> <li>• Municipality to Provide waste management services to rural areas.</li> <li>• All ward 17 villages need RDP houses.</li> <li>• Sibomvini village need access road to be maintained</li> <li>• Sibomvini village needs water.</li> <li>• Ward 17 needs skip or bin for disposable nappies.</li> <li>• Creation of job opportunities for youth.</li> <li>• Quest for Nyandeni to Qandashe bridge.</li> <li>• Sibomvini village requests a bridge to help learners that walk to Nongeke school.</li> <li>• Khosta village needs assistance with disposable nappies that are spread on the street.</li> </ul>		
03/11/23	32	<ul style="list-style-type: none"> <li>• A community Hall is urgently needed in this ward as there is no place to conduct the ward meetings and other activities.</li> <li>• Municipality to provide a waste bin at Qotyana and Fonoza areas.</li> <li>• Abeshwawu village must be provided with water and sanitation</li> <li>• Kwa-C access road must be maintained.</li> <li>• Mbenya to Nikhwe – a pedestrian bridge be constructed.</li> <li>• Lovu to Mjanyelwa – a vehicle bridge be constructed.</li> <li>• Nobhongo Village must be provided with Access Road, Water and electricity.</li> <li>• Sikhotsheni Access Road be maintained.</li> <li>• Construction of a bridge between Mhlanga and Ndlavini Villages.</li> <li>• Reservoirs at Dindini are leaking, they must be maintained.</li> <li>• Dipini Access Road must be maintained.</li> <li>• Network Tower must be installed at Dindini Village.</li> </ul>		Old small pipes for water must be upgraded.
06/11/23	04	<ul style="list-style-type: none"> <li>• Provide waste management services to rural areas.</li> <li>• Request for Bra chin Ndlovu to President virgin road.</li> </ul>	<ul style="list-style-type: none"> <li>• Mabutho access road is incomplete.</li> </ul>	<ul style="list-style-type: none"> <li>• Ward 04 needs water operator</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Mndikiso access road needs maintenance.</li> <li>Mabutho to Malongweni access road needs maintenance.</li> <li>President access road needs maintenance.</li> </ul>		<ul style="list-style-type: none"> <li>Ward 04 youth needs employment.</li> <li>Community hall needs refencing.</li> </ul>
06/11/23	05	<ul style="list-style-type: none"> <li>Water infrastructure maintenance project in ward 05</li> <li>Level of Unemployment is high</li> </ul>		<ul style="list-style-type: none"> <li>Number of unemployed youths in ward 05.</li> <li>Recreational facilities should be built to assist young people</li> <li>Learnerships opportunities are selective</li> </ul>
06/11/23	26	<ul style="list-style-type: none"> <li>Request to fix the main road from R61</li> <li>Request to fix ablution facilities.</li> <li>Request for fencing of Emasimini project.</li> <li>Request for RDP houses in Mount Zion.</li> <li>Request for internal streets for the whole ward.</li> <li>Access Road from Zamokuhle school is damaged, request to maintenance.</li> <li>Road to Tandabantu school is in a very bad condition, to an extent that no cars can drive pass to school. Learners are dropped at a distance to walk.</li> </ul>		<ul style="list-style-type: none"> <li>Clarity on the learnership program.</li> <li>When employing local people, to please consider the whole ward not C section only.</li> <li>Clarity on young entrepreneurs' program.</li> </ul>
06/11/23	27	<ul style="list-style-type: none"> <li>Public toilets should be prioritised in town</li> <li>RDP House incomplete</li> <li>Thaleni road need to be contracted with bridge</li> <li>Request of Tared road to clinic</li> <li>Request for toilets.</li> </ul>	<ul style="list-style-type: none"> <li>Qobo to Sizendeni incomplete V drains needed</li> <li>Mlambondaba Water scheme incomplete</li> </ul>	Request of multipurpose centre to be completed
06/11/23	30	<ul style="list-style-type: none"> <li>Boreholes not working</li> <li>Nyanisweni Access road is very bad, needs to be constructed.</li> <li>Mntomkhulu to Mpetsheni need to be Maintained.</li> <li>Stofini to Nxasana access road need to be Maintained.</li> <li>No access to clean water</li> <li>Makhaladini access road need to be constructed.</li> </ul>	Nyanisweni Access Road	Borehole issue has been long overdue it needs urgent attention. Community is suffering there is no clean water. Nyanisweni access road is not accessible it needs urgent intervention.
06/11/23	31	<ul style="list-style-type: none"> <li>Ndela Village community be provided with water as the bulk water pipe passes to their village to Ward 12.</li> <li>Dyifani Access Road must be maintained.</li> </ul>	Electrification project at Zizityaneni must be completed	<ul style="list-style-type: none"> <li>Ward committees must be involved during the compilation of IDP documents.</li> <li>Instead of providing catering for the public</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>• DR08120 project by SANRAL was diverted to Matwebu as it was initially from Ludeke to Mbongweni as it was presented by the former MEC for Public Works Mr B Madikizela thus creating uncertainty to the community as if they are not considered as part the inhabitants of South Africa. Employment on the Red hub must be transparent, posts must be advertised and be published.</li> <li>• Priority must be given to the community of Ward 31 in terms of employment at the Red Hub.</li> <li>• On Blorweni and Siwisa Quarry Project, the municipality must assist the community members on how they can provide employment.</li> <li>• Blorhweni access road must be maintained as this effect other wards.</li> </ul>		<p>meetings, transportation of the community members must be prioritized as this affect the representation of villages in the meetings.</p> <ul style="list-style-type: none"> <li>• Community members must be trained on how to maintain water schemes.</li> <li>• Youth projects must be funded by the municipality.</li> <li>• Office of the Speaker to elect the ward committee members at Zizityaneni as soon as possible.</li> </ul>



### 7.3 Public Comments Consolidated from IDP & BUDGET Roadshows

IDP & Budget roadshows were held on the 18 April to 06 May 2024 with 636 number of attendees overall total according to clusters.

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
18/04/2024	29,22,28&25	<ul style="list-style-type: none"> <li>• Zikhuba access road should be prioritized for maintenance and stone pitching</li> <li>• Road in a bad condition at Ward 22 Lukholo</li> <li>• Blading should be prioritised to Mhlelwa Creche in Lukholo</li> <li>• Maqashe access road to Grenville road in a bad condition</li> <li>• Water should be prioritised to all villages</li> <li>• RDP houses should be prioritised.</li> <li>• Speed humps should be prioritised at Zikhuba.</li> <li>• Road in a terrible state in Pele-pele</li> <li>• Request for V-drains in ward 22</li> <li>• Request for a water reservoir in ward 22</li> </ul>	<ul style="list-style-type: none"> <li>• Incomplete toilets project</li> <li>• Dinizulu road incomplete</li> <li>• Incomplete RDP houses</li> <li>• Little Aden incomplete</li> </ul>	<ul style="list-style-type: none"> <li>• Board signage at Pele-pele</li> <li>• Shortage of staff at Adelaide Tambo regional hospital</li> <li>• Request for internal plant to do grading</li> <li>• Monitoring of work done by municipal officials</li> <li>• Where are the 1000 houses that were included in the 2013/2014 IDP?</li> </ul>
18/04/24	18	<ul style="list-style-type: none"> <li>• Request for elderly and disabled home in Nyaka</li> <li>• Mpunzi, request for a walking bridge in Mchane via Mgodli to Emalawini.</li> <li>• Request for water pipes in Mpunzi.</li> <li>• Clarity on Mfuneli access road progress.</li> <li>• Request for construction of internal streets</li> <li>• Request for maintenance of Road liner to Nkasa access road because it is in a very bad</li> </ul>	<ul style="list-style-type: none"> <li>• RDP houses were left incomplete, they put slabs only</li> <li>• Infills were left incomplete and solar panels are not working anymore.</li> </ul>	<ul style="list-style-type: none"> <li>• Local shops do not put prices on the goods and are robbing the community, request for environmental health practitioners to intervene because some goods are not in good consumption state.</li> <li>• How to get funding for skills</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<p>condition and it is not dangerous to drive on.</p> <ul style="list-style-type: none"> <li>Request for RDP houses in Lubunde</li> <li>Request for Plangweni to Lutatweni access road</li> <li>Request for Gandana to Ncenjana access road</li> <li>There is no access to clean water in Ncenjana as they drink river water that is messed by cows.</li> <li>Request for water pipes in Nomkhiqi</li> </ul>		<p>development programs</p> <ul style="list-style-type: none"> <li>Is it compulsory for EPWP beneficiaries to submit their documents 6 months before the year end.</li> <li>Contractor did not comeback at Mqutsalala Access Road after the disaster.</li> <li>Project managers to please monitor projects during construction.</li> <li>Dispute to rent the community hall needs maintenance, ceiling board and toilets are broken.</li> </ul>
18/04/24	21	<ul style="list-style-type: none"> <li>Request for clinic to creche access road</li> <li>No water access in Ntika, requested for at least 3 water tanks</li> </ul>		
24/04/24	30	<ul style="list-style-type: none"> <li>Water scheme not working at Dutyini, Ntsimbini and Stofini whereas the generator was provided to pump the water.</li> <li>Request for pit-latrines in Stofini</li> <li>Revenue should be generated by mandating municipal employees to register their cars in the Eastern Cape no other provinces.</li> </ul>	<ul style="list-style-type: none"> <li>Borehole is not operational</li> <li>Costa access road is incomplete</li> </ul>	

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>• There are no water taps.</li> <li>• Request to maintain the road that was damaged by disaster floods at Mxinga.</li> </ul>		
24/04/24	01	<ul style="list-style-type: none"> <li>• Electrification at Nkanini area was requested.</li> <li>• Requested maintenance of the road from the school to Njinini.</li> <li>• Requested for intervention and rehabilitation of the road to highland behind Link Pharmacy</li> <li>• Requested blading of the road next to Goniwe Nyanisweni to School.</li> <li>• Nkanini village requested electricity in 2012 and they were promised to be prioritized.</li> <li>• Request for the municipality to put a short distance tared road from Ferguson to dumping site to protect houses closest to road from dust.</li> <li>• Requested high must light in Tshayingca.</li> <li>• Transformer burst Kwa-C and lights are removed from street lights.</li> <li>• The town is too dirty and people with livestock galivanting in town should be charged.</li> </ul>	<ul style="list-style-type: none"> <li>• Electricity infills is incomplete</li> <li>• Street light was put next to a tavern.</li> <li>• Solar is non-functional.</li> <li>• Guqa access road is not done</li> <li>• Mhlanga access road is not done</li> <li>• Construction of the road in highland needs monitoring because the contractor has blocked residence driveways.</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Report documents should be handed over to the public prior the community meeting</li> <li>• Request for a meeting with the Mayor.</li> <li>• Request for funding of crime prevention centres like community forums, especially the one in town.</li> <li>• Who to contact when the set timeframe is not met for the construction to commence?</li> <li>• Municipality should be responsible for fixing electricity meters and not ask R1000 to fix them from the community members.</li> </ul>
24/04/24	06	<ul style="list-style-type: none"> <li>• Request for speed humps from Bargain to Mhlanga tared road, also patching of potholes.</li> <li>• Request for water taps in Dindini because there is no water even I rivers.</li> </ul>	<ul style="list-style-type: none"> <li>• When will Ntshamathe access road be completed?</li> </ul>	<ul style="list-style-type: none"> <li>• Someone should be tasked to assist Mr Mqina because he is not reachable</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Request for maintenance of Xesibe to Mandela Access Road.</li> <li>Hlabathini to Mkhuna access road in Mjanyelwa needs to be maintained.</li> <li>Mbenya to Skulufa access road is in a terrible state and it needs maintenance.</li> <li>Request to put Mpindweni access road in the IDP</li> <li>Taps have no water</li> <li>Request for pit-latrines toilets in new houses.</li> <li>Request to fix borehole in Ntshammathe, because the transformer was damaged and that caused it to malfunction.</li> </ul>		
24/0/2024	19	<ul style="list-style-type: none"> <li>Request for water taps and fixing of water pipes.</li> <li>Request for scholar transport</li> <li>Request for rehabilitation of T116 Umngungu road</li> <li>Request for patching of potholes in R61.</li> </ul>		
24/04/2024	12	<ul style="list-style-type: none"> <li>Access Road to Mhlabi School must be maintained as this is affecting schooling programs.</li> <li>Marhewini to Mampingeni Access Road must be constructed.</li> <li>Mfundambini must be provided with toilets.</li> <li>Mfundambini Access Road must be maintained.</li> <li>Ndinomntu Access Road be maintained.</li> <li>Request for RDP house or temporal structure for</li> </ul>	<ul style="list-style-type: none"> <li>DR245 T- Road to Ndlovu branch must be maintained as the road is in a very bad state especially when raining.</li> <li>A reservoir at Nqabeni must be constructed.</li> <li>Housing project in the ward must be speed up as it stopped.</li> </ul>	<ul style="list-style-type: none"> <li>Provision of food parcels</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		Nkosindiphile Radebe in Mhlabi Village.		
24/04/2024	31	<ul style="list-style-type: none"> <li>• Correction be made as it appears that connection and energizing of 85 households, the correct number of households is 202.</li> <li>• ANDM must do a handover of the water projects that have been completed in the ward.</li> <li>• Speed Humps must be erected at R61 road before the branch to Zizityaneni as there are a number of accidents that had occurred in that area because of the speed.</li> <li>• Municipality must intervene in that Red Hub projects as there are a lot of challenges in that project.</li> </ul>	<ul style="list-style-type: none"> <li>• Areas with solar panels must be provided with electricity.</li> </ul>	<ul style="list-style-type: none"> <li>• Human Settlement must provide Ward 31 with RDP Houses.</li> <li>• EPWP workers receiving old age grant must be removed from the system.</li> <li>• Municipality to provide a shelter for the EPWP supervisors when submitting their work.</li> <li>• Municipality must rather provide transport for community members to public meetings especially if wards are clustered to one venue.</li> <li>• Bolorweni youth be assisted by the Municipality in establishing the mining of the stone at Bolorweni and Siwisa Villages.</li> <li>• Municipality to revive the Mayoral cup program.</li> </ul>
24/04/2024	04	<ul style="list-style-type: none"> <li>• Mdeni Access Road must be maintained.</li> </ul>		<ul style="list-style-type: none"> <li>• Scholar transport be provided to</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>• Speed humps at Masela and Matankini must be erected.</li> <li>• Mazweni Access Road must be maintained.</li> <li>• Road marking at R61 must be renewed.</li> <li>• Ward 4 Youth be assisted in farming programs.</li> <li>• Dyifani Access road completed but there are farrows from the road that affect houses in that area.</li> <li>• Ward 4 community hall must be maintained and paved.</li> </ul>		<p>Marelane School from various villages.</p>
24/04/24	Sport Stakeholder	<ul style="list-style-type: none"> <li>• Lawn Tennis courts only available in Mafumbatha meaning there is no other place in Bizana where Tennis is played. Tennis is still in orientation and development stage.</li> <li>• Proposed tariffs are unaffordable especially when parents are not interested in Tennis. This means coaches and players will pay for kids who are interested in Tennis, it was proposed that: <ul style="list-style-type: none"> <li>• Tariffs be paid by elders only. The amount be dropped from R470 annually to R150 annually.</li> <li>• Training fee per hour for school and general members be reduced from R73 per hour to R20 a day, in fact the orientation fee.</li> </ul> </li> <li>• Proposed not to pay until the condition of courts is improved as the is no centre service line, Nets are erected using wire and</li> </ul>	<ul style="list-style-type: none"> <li>• The surface of the court is peeling off.</li> <li>• There is mud and dust on the court, it does not matter how hard we try to sweep it out, but it is always in vain.</li> <li>• The machine to tighten the net does not work and it has never worked since started playing as it was destroyed</li> </ul>	

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<p>pincers, courts are shaped like basins there is no drainage</p> <ul style="list-style-type: none"> <li>• Stones and other pollutants from outside the court when raining flood in to the court.</li> </ul>		
29/04/2024	24	<ul style="list-style-type: none"> <li>• IDP documents should be verified before they are presented to community as there are repeated errors like naming of access roads.</li> <li>• Community hall must be maintained as there are no toilets.</li> <li>• Small businesses must be prioritized by the municipality.</li> <li>• Mzamba Mouth Access Road was constructed at amount of R5 million but was damaged within a month by heavy rains, it must be maintained.</li> <li>• Water operators must be capacitated on how to operate water schemes.</li> <li>• Due to the shortage of water in the ward, Alfred Nzo District Municipality must provide the ward with water tanks.</li> <li>• Community of Reformed Village are requesting for V-Drains on the Access Road.</li> <li>• Naming of Mbizana Taxi Rank to be changed to Winnie Madikizela Mandela Taxi Rank so as to accommodate both associations.</li> <li>• The municipality did not allocate the bays at the rank for Mzamba Taxi Association.</li> </ul>		<ul style="list-style-type: none"> <li>• As the unemployment rate is too high, municipality must clarify the criteria they are using when employing EPWP employees.</li> <li>• EPWP employees must be capacitated and be awarded with certificates when their term has expired.</li> <li>• Hon Mayor must intervene and resolve the issue of the construction of Mtentu Bridge between Mzamba Taxi Association and Bizana Taxi Association.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>As RDP houses at Reformed and Sirhasheni Villages were delayed since 2019 to date, the construction must be speed up.</li> </ul>		
02/05/2024	10	<ul style="list-style-type: none"> <li>Bloom to Tshikitshana access road in a bad condition.</li> <li>Access road in bad condition at Mcetheni to Ntlenzi</li> <li>Maqashe access road to Grenville road in a bad condition</li> <li>Water should be prioritised at ward 10</li> <li>RDP houses should be prioritised</li> <li>Water should be prioritised at the Market stalls</li> <li>Electricity in ward 10 be prioritised.</li> </ul>	<ul style="list-style-type: none"> <li>Incomplete water project</li> </ul>	<ul style="list-style-type: none"> <li>Market stalls should be prioritised for renovation, be fenced and security should improve.</li> </ul>
02/05/2024	09	<ul style="list-style-type: none"> <li>Request for an RDP House or temporal structure for Mr K Mphetshwa.</li> <li>The diesel water engine be converted to be the electric engine.</li> <li>Gwabeni Access Road must be maintained.</li> <li>Municipality to provide furniture to the Community Clinic at Gwabeni Village.</li> <li>Provision of water at Gwabeni Village.</li> <li>Gcinilizwe Community hall must be maintained especially the toilets and be provided with additional chairs.</li> <li>ANDM to provide VIP Toilets at Envis Village.</li> <li>SMMEs with expired CK's must be assisted by the municipality.</li> </ul>		Ward committee meetings must be monitored.



DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>Tshuze to Luphilisweni Access Road was done but is not accessible during rainy days, the pot holes must be fixed before the handover is done by the Honorable Mayor</li> <li>At Femini area a virgin road must be constructed with two bridges.</li> <li>Area of Femini be provided with water and sanitation.</li> <li>Mphetshwa to Bonda was done exceptionally well by the contractor.</li> <li>Mdozingana Access Road must be maintained using Bolorhweni quarry.</li> <li>Consideration of infills at Mdozingana Village.</li> </ul>		
02/05/2024	03	<ul style="list-style-type: none"> <li>Nombane, Makhabaludaka and Mbiba Access Roads were bladed but no tipping, thus creating a lot of problems when raining.</li> <li>Qhabangeni Access virgin road to be constructed.</li> <li>Community hall is leaking no toilets no gate, it must be maintained.</li> <li>Provision of water to all villages</li> </ul>		Toilet pits were dug and were left unclosed as the project stopped thus becoming dangerous to stock and kids.
03/05/2024	14	<ul style="list-style-type: none"> <li>A virgin access road from Mnyani to Mzamba must be constructed.</li> <li>A virgin road from Mpetsheni Store to Ezibukweni must be constructed.</li> <li>Access road from Mfundeni to Zithebezenyama must be constructed.</li> </ul>	<ul style="list-style-type: none"> <li>Luphondweni Access Road was constructed but not finished.</li> </ul>	

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>• The reservoir at Luthulini must be extended.</li> <li>• Maqedeni Access Road must be constructed.</li> <li>• ANDM must provide water taps along the road.</li> <li>• Human Settlement to provide the ward with RDP Houses.</li> <li>• At Luthulini Village there are no beneficiaries on free basic energy</li> <li>• Manabhela to Mthenshwane bridge Access road must be constructed.</li> </ul>		
03/05/2024	15	<ul style="list-style-type: none"> <li>• Construction of a virgin road from Mageleni to Khanyayo Access Road.</li> <li>• Construction of an Access Road from Zikhoveni to Mthentu Bridge.</li> <li>• Maintenance of Mzinto to Mchitha Access Road.</li> <li>• Maintenance of Mabhekuteni via Miya to Qeda Access Road.</li> <li>• The following areas must be provided with slabs as they are very steep:  (1) Nontlanga Access Road:  Embelekweni enkulu, Komkhulu, Emakhumbini.  (11) Goxe Access Road:  Enkwalini (100 metres), Kwamgqengqwa, (300 metres), Ekuphumleni Tuck-shop (100 meters) and KwaMvazana (100 meters)</li> <li>• Water schemes at Chritchlow A &amp; B not functioning should must be repaired.</li> </ul>		<ul style="list-style-type: none"> <li>• The Department of Sport Recreation, Arts and Culture and the municipality must also consider wards in terms of developing youth in sport.</li> </ul>

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
03/05/2024	16	<ul style="list-style-type: none"> <li>Maintenance of DR128/23 from Ziphambanweni to Mtondela Store.</li> <li>Shongweni Access Road must be provided with pipes and the slab must be extended to the steep areas.</li> <li>Maintenance of the access road from Mthayise bus stop to Mthayise School as it is in a very bad state especially that Mthayise School is also a voting station.</li> </ul>		
06/05/2024	26	<ul style="list-style-type: none"> <li>All Steering committee members must be part of the project meetings.</li> <li>When planning for the projects in the ward for the particular financial year, community must be involved in that planning.</li> <li>Instead of maintaining one access road in a ward it is advisable that the budget allocated for that particular access road in the ward be divided to other access roads which are in a very bad state to be maintained.</li> <li>An itinerary for the maintenance of access roads by Municipality in-house machinery must be made accessible to community members.</li> </ul>	<ul style="list-style-type: none"> <li>ANDM must provide the ward with VIP toilets as the population is increasing each year.</li> </ul>	<ul style="list-style-type: none"> <li>Municipality must assist in loud hailing the Mayoral Imbizos and IDP and Budget Road shows.</li> <li>Municipality must assist in employing community members to fix the gravelled road from Nomlacu to Mtamvuna.</li> <li>Municipality must update the tribal authority about the livestock that has been taken from the tribal authority to the Municipal pound.</li> </ul>
06/05/2024	27	<ul style="list-style-type: none"> <li>Constructed kilometres of Ndlolothi to Mafadobe Access road are 11, 3 km not 6, 2 km as it appears in the IDP document.</li> </ul>		

DATE	WARD NUMBER	IDP & BUDGET RELATED COMMENTS	UNFINISHED PROJECTS	GENERAL SERVICE DELIVERY COMPLAINTS
		<ul style="list-style-type: none"> <li>• Thaleni Bridge be constructed.</li> <li>• Taring of Nkantolo monument to Qobo Access Road.</li> <li>• Maintenance of Qobo Clinic to Gubhethuka Access Road.</li> <li>• Mdikiso to Clarkville Access Road must be maintained.</li> <li>• Cabhane to Krestu Access Road must be constructed</li> </ul>		
06/05/2025	07	<ul style="list-style-type: none"> <li>• Zinini Housing project Phase 2 - 150 subs are running as per the document but on the ground, nothing is happening.</li> <li>• ANDM to provide VIP toilets.</li> </ul>		
23		<ul style="list-style-type: none"> <li>• Seaview to Mabhoyni via Lingelethu must be maintained.</li> <li>• Blekwana Access Road must be maintained.</li> <li>• Alfred Nzo District Municipality must provide the ward with water.</li> </ul>		

#### 7.4 IDP Participation and Alignment

The 2024 - 2025 IDP process plan was developed with scheduled activities and time frames as per Section 28 of the Local Government Municipal Systems Act of 2000 and it was approved by council on the 30<sup>th</sup> August 2023. The review process has followed the legislative prescripts with regards to the community involvement and participation in the review of IDP and the 2024 – 2025 IDP document have conformed to the core components of the IDP as prescribed in Section 26 of the Local Government Municipal Systems Act of 2000.

In compliance with section 17 of the Municipal Systems Act, during the year under review the municipality has established the following appropriate mechanisms, process and procedures to enable the local communities to participate in the affairs of the municipality: -

- IDP Representative Forum;
- Mayoral Outreaches to communities and Stakeholders;
- Mayor's conversations with different stakeholders;
- Ward Community & Ward Committee meetings convened by Councillors;
- Newspaper advertisements and notices;

- Making the IDP document available to all members of the public;
- Information dissemination through the WMMLM quarterly newsletter;
- Sector specific for a, namely, LED Forums, Local Communicators Forum.

The role of stakeholders is outlined as follows:

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
<b>Winnie Madikizela-Mandela Local Council</b>	<p>The Winnie Madikizela-Mandela Municipal Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <ul style="list-style-type: none"> <li>• consider and adopt the IDP Process Plan &amp; time schedule for the preparation, tabling &amp; approval of the annual budget;</li> <li>• consider and adopt the IDP and annual Budget;</li> <li>• ensure the municipal budget is coordinated with and based on the IDP;</li> <li>• adopt a Performance Management System (PMS)</li> </ul> <p>Monitor progress and IDP implementation</p>
<b>The Executive Committee of Winnie Madikizela-Mandela Local Municipality</b>	<p>The Executive Committee of Winnie Madikizela-Mandela Local Municipality have the ultimate responsibility for the preparation and implementation of the IDP, Budget &amp; Performance Management. The EXCO is responsible for:</p> <ul style="list-style-type: none"> <li>• for the overall oversight, development and monitoring of the process or delegate IDP &amp; PMS responsibilities to the Municipal Manager;</li> <li>• ensure that the budget, IDP &amp; budget related policies are mutually consistent &amp; credible;</li> <li>• Submit the revised IDP &amp; the Annual Budget to the municipal Council for adoption.</li> </ul>
<b>Ward Councilors, Traditional &amp; Ward Committees</b>	<p>Ward Councilors are the major link between the municipal government and the residents. As such, their role is to: -</p> <ul style="list-style-type: none"> <li>• link the planning process to their constituencies and/or wards;</li> <li>• ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate;</li> <li>• facilitate public consultation and participation within their wards.</li> <li>• provide feedback to their communities on the adopted IDP and Budget.</li> </ul>
<b>The IDP, PMS &amp; Budget Steering Committee</b>	<p>The IDP/PMS Steering Committee will be established to provide technical guidance over the IDP/Budget &amp; PMS review. An IDP Steering Committee that would function, as a technical working team shall be composed of the following members: -</p> <ul style="list-style-type: none"> <li>• Municipal Manager (Chairperson)</li> <li>• Municipal Management Team</li> <li>• Senior Managers from Sector Departments</li> <li>• Secretariat from IDP &amp; PMS Unit</li> </ul>
<b>The Municipal Manager</b>	<p>The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.</p>

STAKEHOLDER	COMPOSITION AND RESPONSIBILITY
<b>Directorates &amp; Departments</b>	Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they: - <ul style="list-style-type: none"> <li>provide technical / sector expertise and information, throughout the IDP Budget process;</li> <li>ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements;</li> </ul>
<b>Representative Forum and Community Stakeholders</b>	The IDP/ PMS/ Budget Representative Forum constitutes the structure that institutionalizes sectoral participation in the IDP Process. The members of the IDP Representative Forum include Business, Traditional leaders Government& NGO sectors (as well as political and technical leaders of the IDP Clusters). The Mayor or her nominee chairs the Forum. The Forum represents the interests of their constituents in the IDP processes.
<b>Budget Steering Committee: Shall be constituted as follows:</b> The Mayor The Chairperson – Finance Standing Committee The Municipal Manager All Senior managers Managers IDP & PMS	The primary aim of the Budget Steering Committee is to ensure: - <ul style="list-style-type: none"> <li>that the process followed to compile the budget complies with legislation and good budget practices;</li> <li>that there is proper alignment between the policy and the service delivery priorities set out in the municipality's IDP and the budget, considering the need to protect the financial sustainability of the municipality;</li> <li>that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and</li> <li>that the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.</li> </ul>

CRITERIA	N/Y	COMMENTS
Does the Municipality have Impact, outcome, input Indicators	Yes	Municipality doesn't have Impact Indicators
Does the IDP have Priorities, objectives, KPIs and Development Strategies	Yes	
Does the IDP have Multi Year targets	Yes	
Are the above aligned and calculate into a score	Yes	
Does the budget align directly to the KPIs in the IDP	Yes	
Do IDP KPI's align to Section 57 managers contracts	Yes	
Do KPIs lead to the functional area KPIs as the SDBIP	Yes	
Do the IDP KPIs align with Provincial KPIs on 12 outcomes particularly outcome 9	Yes	
Were the Indicators communicated with the public	Yes	
Were the quarterly reports submitted to Council at stipulated time frames	Yes	

## 8. COMPONENT D – COPORATE GOVERNANCE

### 8.1 Risk Management

Risk Management Committee (RMC) of Winnie Madikizela Mandela Local Municipality was established as Council resolved. Accounting Officer appointed Risk Management Committee in line with the Public Sector and SALGA Risk Management Frameworks. The membership of the Risk Management Committee comprises both management and external members with the necessary blend of skills, competencies and attributes.

The chairperson of the Risk Management Committee, as required by the Public Sector and SALGA Risk Management Frameworks, is an independent external person. The roles and responsibilities of the Risk Management Committee formally defined in a charter approved and the adopted by the Council.

The Risk Management Committee is functional and accordingly, the RMC reviews its charter annually and/or as and as often as possible. There is a schedule of meetings for the whole year and are sit on a quarterly basis.

There are governance policies from which the Committee is operating that are adopted by Council. These policies are:

1. Risk management policy;
2. Risk management strategy;
3. Risk management implementation plan;
4. Fraud Prevention and Implementation Plan;
5. Risk identification and assessment methodologies;
6. Risk appetite and tolerance

The RMC evaluates the extent and effectiveness of integration of risk management within the Municipality.

The Internal Audit facilitated risk assessment workshop whereby risk registers and risk management report were produced. Based on the rating of risks identified, the municipality was able extract the top ten risks facing the municipality. The top ten (10) risks faced by the Municipality were identified:

1. Inadequate planning to reduce the construction backlog of access roads that may lead to non-compliance with DoRA and limited resource allocations from grant funding.
2. Poor response time to events of disasters.
3. Unauthorised use of natural resources (Land, marine and general).
4. Inability to attract, maintain and retain professional and qualified personnel.
5. Unauthorised access to municipal ICT system that may lead to data corruption, loss of data and non-availability of network systems.
6. Weak financial viability due to poor collections of long outstanding debtors.
7. Negative audit outcomes due to non-compliance with legislative requirements.
8. Inadequate plans to manage the negative impact of climate change on the local agricultural economic sector.
9. Non-credible IDP reviews due to inadequate stakeholder consultations due to political instability and the non-sitting of IGR structures.
10. "National elections 2024" – Changes in political leadership that may have an impact on the strategic implications on the municipality.

### 8.2 Anti-Corruption and Fraud Management

The Anti-Corruption and Fraud Management within the Winnie Madikizela Mandela Local Municipality is sitting under Internal Audit Unit. The Unit on a yearly basis conducts the fraud awareness campaigns to all employees and Council twice a year.

The Fraud Prevention policy exists and was adopted by Council as well as fraud prevention plan. All reported cases of fraud and corruption are investigated and resolved based on the outcome of investigations. The Municipality does not have its own fraud hotline where cases of fraud can be reported on by this platform.

The fraud anti-corruption policy applies to all fraud, corruption, theft, maladministration or suspected irregularities involving the following persons or entities: -

- All employees of the municipality;
- Councillors;
- Consultants, suppliers, contractors and other providers of goods or services to the Municipality; and
- Any other parties receiving benefits from the Municipality.

The Winnie Madikizela Mandela Local Municipality Fraud Prevention Plan comprises of five pillars, namely;

- Prevention of Fraud and Corruption;
- Detection of Fraud and Corruption;
- Investigation of Fraud and Corruption;
- Resolution of Fraud and Corruption; and
- Maintenance and evaluation of the Fraud Prevention Plan.

### **8.3 Internal Audit/Audit committee and Compliance**

The audit committee; an independent advisory committee is required in terms of s166 of the Municipality Finance Management Act; MFMA s56 of 2003 to among others perform functions required by the Act in line with the terms of reference; the audit Committee Charter. As provided for in terms of section 166(2) of the MFMA, the municipality had an audit committee established to address matters relating to the compliance, performance and internal controls assurance and any other activity the council may deem necessary. These matters include amongst others the following:

- Governance; Ethics; and policies and procedures
- Assessment of the effectiveness of Internal Controls;
- Performance management
- Risk Management

The Council established the Audit Committee and appointed five independent members outside the employ of the municipality. It is functional with its independent members selected from different areas of expertise to enhance the audit committee's overall knowledge of the municipality or entity and the ability to discharge its obligations and provide appropriate recommendations to the council.

Audit Committee terms of reference was adopted by Council in executing their responsibilities as set in the approved Audit Committee Charter.

### **8.4 Effectiveness of Internal and External Auditors**

The Municipality is required to have an internal audit function in terms of section 165 (1) of the Municipal Finance Management Act no 56 of 2003 ("MFMA"). This requirement is re-enforced by the recommendations of the King IV Report on Corporate Governance. The Municipality has functional Internal Audit unit with four (4) permanent staff members which is Manager: Internal Audit, Senior Internal Auditor, Junior Internal Auditor, Internal Audit Clerk and two (2) contract employees being Internal Audit Interns.

The Internal Audit function was adequately resourced relative to the size of the Municipality and the nature of its operations and its positions filled. Risk based audit coverage plan and three (3) year strategic rolling plan was approved by both management and Audit Committee. The Internal Audit Unit completed its annual audit activities, presented its audit findings to Management and Audit Committee.



The Audit opinions for the past three years were clean audit in 2020/21; 2021/22; and 2022/23 financial years. After the final audit report received from the Office of the Auditor General, follow up procedures were implemented by internal audit in ensuring the implementation of action plan prepared by management to address issues raised by Auditor General.

## 8.5 Websites

Winnie Madikizela Mandela Local Municipality has a functional and compliant website (URL: <https://www.winniemmlm.gov.za> ) as per section 21B of MSA No. 32 of 2000 and section 75 of MFMA No. 56 of 2003. The municipal website is managed and updated internally by the Information and Communication Technology Section.

## 8.6 Supply Chain Management

The Municipal Finance Management Act No 56, of 2003, section 80, directs the establishment of a Budget and Treasury Office by all municipalities. The established Budget and Treasury Office is then required to be headed by the Chief Financial Officer with a number of responsibilities assigned to him/her. One of the responsibilities assigned to the Chief Financial Officer also include supply chain management.

Winnie Madikizela-Mandela Local Municipality has established the Budget and Treasury Office, within which a Supply Chain Management Unit has further been established. This unit is responsible for all demand management, procurement, logistics and disposals within the municipality.

The unit is headed by a Supply Chain Management Manager, who reports directly to the Chief Financial Officer. The unit also has two Supply Chain Management Officers who report to the manager. Further to this, there are three Supply Chain Management Clerks who report to the officers, making it a total of Six members of the unit. These personnel are further enhanced by financial management interns who rotate within all sections within the Budget and Treasury office. As part of their rotation plan, Supply Chain Management unit forms part of their programme. Our records indicate that all the Supply Chain Management officials meet the minimum competency levels required for SCM officials.

As part of the section 71 reports that are tabled to the Mayor through the council committees at the end of each month, Supply Chain Management issues are also reported. This means that there are twelve (12) reports that are tabled to the Mayor through council committees on an annual basis.

The supply chain management policy is reviewed on a yearly basis and forms part of the budget related policies. This review therefore also happened for the 2023/24 financial period. The following thresholds are outlined in that policy: -

STRUCTURE OF APPROVAL		
GOODS/SERVICE VALUE	PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY
R 0 – R2000	One Written Quote	Department Manager
R2001 – R30 000	Three Written Quotations	Department Senior Manager
R30 001 – R300 000	7 days advert on Notice Board and via Website (Competitive Bidding)	Accounting Officer or delegated official
R300 001 – R50 Million	Competitive Bidding Process	Accounting Officer
Above R50 Million	Competitive Bidding Process	Accounting Officer

- 1) Goods and services may only be procured by way of –
  - a) one written quotation for procurement transactions with a value up to R2 000 (Incl. VAT);
  - b) three written quotations for procurement transactions with a value over R2 001 (Incl. VAT) up to R30 000 (Incl. VAT);
  - c) formal written price quotations for procurement transactions valued over R30 001 (Incl. VAT) up to R300 000 (Incl. VAT); and
  - d) a competitive bidding process for –
    - i. procurement transactions with a value above R300 000 (Incl. VAT); and
    - ii. the procurement of long-term contracts.
- 2) The Accounting Officer may, in writing -
  - a) lower, but not increase, the different threshold values specified in sub-clause (1);
  - b) or b) direct that –
    - i. written quotations be obtained for any specific procurement of a transaction value lower than R2 000 (Incl. VAT);
    - ii. formal written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (Incl. VAT); or
    - iii. a competitive bidding process be followed for any specific procurement of a transaction value lower than R300 000 (Incl. VAT).

Audit fees	Purchase of specialised Library equipment & books
Bursaries and student practical work	Bank Charges
Compensation for injuries and diseases	Election Activities
Postage	Licence fees
Conferences/Professional meetings (S & T)	Mayoral donations
Donations/grants by Council	Membership fees
Advertisements	Medical expenses not on contract
Telecommunications (Telkom)	Nutritional care
Reference books and magazines	Eskom
Ward committee allowances	Inter-departmental charges
All employee/Councillors related costs	Artists
Research by Council for Scientific and Industrial Research	Services of professional bodies in the republic

- a) Fixed term service contracts appointed through the formal bid process where it is difficult to identify beforehand what the total quantity of work will be done on sundry payments (e.g. maintenance of tarred roads, vacuum tank services, Maintenance of sewer pipelines, etc.) clearly marked with the bid number.
- b) Purchases less than R2 000-00 (vat inclusive) for emergency situations may be sourced directly from vendors listed on the Winnie Madikizela-Mandela Local Municipality supplier database and paid by Sundry payment with the approval of the HOD and CFO/Director: Expenditure. All the above requests must be signed by the requestor, the HOD and CFO/delegate.
- c) All other fixed contracts and items not on contract must follow the relevant SCM processes and systems.
- d) No orders will be amended to include extra work not authorised through the correct processes and therefore the orders will not be cancelled to accommodate such work or

payments. Any additional work/services must be requested through the correct SCM process and a new order be printed for approval by the HOD and CFO/delegate.

- 3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction. Sundry payments-
  - a) The following line items are not required to be procured through the SCM process. The end user to complete and submit the sundry documents with the original invoice to the SCM unit to check for legal compliance:

## 8.7 Awarded Tenders

The table below shows all tenders that were awarded during the 2023/24 financial year:

No	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	Masilo Projects	R 3,207,821.60	WMM LM 04/05/23/02 EMP	ELECTRIFICATION OF MSARHWENI VILLAGE PHASE 2	Wednesday, July 19, 2023	Engineering Services
2	Masilo Jv Kresta Green	R 5,743,276.13	WMM LM 04/05/23/01 ENP	ELECTRIFICATION OF NOMLACU VILLAGE PHASE 2	Wednesday, July 19, 2023	Engineering Services
3	Nikhwe Group	R 5,864,368.09	WMM LM 0015 FMLS	CONSTRUCTION OF MAJAZI LANDFILL SITE PHASE 1	Wednesday, July 19, 2023	Community Services
4	Nkwali AM Trading Pty Ltd	R 4,863,852.26	WMM LM 04/05/23/06 FMM	MPHUTHUMI MAFUMBATHA SPORTFIELD FENCING	Wednesday, July 19, 2023	Engineering Services
5	Siya and Aya JV S One Trading	R 4,127,551.32	WMM LM 04/05/23/03 ELE	ELECTRIFICATION OF LOWER ETHRIDGE VILLAGE PHASE 2	Wednesday, July 19, 2023	Engineering Services
6	The Mane's	Rates	WMM LM 04/08/22/01 SDC	SUPPLY AND DELIVERY OF CLEANING RESOURCES FOR 3 YEARS	Tuesday, August 8, 2023	Community Services
7	Stira Construction and Projects	R 4,621,749.00	WMM LM 000103 M W18	Construction of Mgqutsalala Access Road	Friday, October 6, 2023	Engineering Services
8	Alutha Holdings 82	R 2,495,075.00	WMM LM 000104 CS W08	Construction of Bhukuveni to Ntshikitshane Access Road Concrete Slap	Friday, October 6, 2023	Engineering Services
9	Isivuno Esihle Construction	R 5,122,592.20	WMM LM 00013 M A/R	Construction of Mngomazi Access Road	Tuesday, November 7, 2023	Engineering Services
10	Vistha Trading	R 5,790,907.51	WMM LM 0018 MZ A/R	Construction of Mwilini Access Road	Monday, December 4, 2023	Engineering Services
11	Mvumezaz Construction	R 6,790,555.42	WMM LM0019 NS A/R	Ntlanezwe to Sizabonke Access Road	Monday, December 4, 2023	Engineering Services
12	Mvumezaz Construction	R 4,395,182.41	WMM LM 00020 M A/R	Construction of Mhlwazini Access Road	Monday, December 4, 2023	Engineering Services
13	Vistha Trading	R 9,685,836.19	WMM LM 00017 MDG	Upgrading of Mbongwana via Dotye to Greenville Hospital Access Road	Monday, December 4, 2023	Engineering Services
14	Ndzila Investments	Rates	WMM-LM 27/10/21/01 PIS	Provision of Insurance Services for 36 Months	Monday, December 18, 2023	Budget and Treasury
15	Firststrand Bank	Rates	WMM LM 00012 BS	Provision of Banking Services for 5 Years	Monday, December 18, 2023	Budget and Treasury
16	ATC Industries Pty Ltd	Rates	WMM LM 00016 M TL 3Y	Maintenance of Traffic Lights for 3 Years	Thursday, December 21, 2023	Community Services
17	Vilo Security Services	R 883,300.00	WMM LM 00052 P AGRIC I	Procurement of Agricultural Inputs	Wednesday, January 31, 2024	Development Planning
18	Mabozela Trading and Enterprise	Rates	WMM LM 13/09/23/02 COC	Call Out for Crane Truck Hiring Services	Wednesday, January 31, 2024	Engineering Services
19	Eco South Partnership	R 573,850.00	WMM LM 11/08/22/02 MHR	Mbizana Heritage Research	Wednesday, January 31, 2024	Municipal Manager
20	Munsoft Pty Ltd	R 8,972,421.01	WMM LM 00012 PPS	Procurement of Payroll System	Wednesday, January 31, 2024	Corporate Services

No	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
21	Blue Cycle Trading Services	R 494,500.00	WMM LM 03/11/22/02	Reviewal of ICT Disaster Recovery	Wednesday, January 31, 2024	Corporate Services
22	Masinyane and Son	R 750,000.00	WMM LM 31/05/22/06 MDP	SUPPLY AND DELIVERY OF SMME EQUIPMENT	Friday, August 2, 2024	Development Planning
23	Moya Training and Projects	Rates	WMM LM 00051 P PPE 24 M	PROCUREMENT OF PPE: ENVIRONMENTAL SERVICES FOR 24 MONTHS	Friday, August 2, 2024	Community Services
24	Ibala Consulting	R 2,283,458.58	WMM LM 00055 CBD R	CBD ROAD MAINTENANCE	Thursday, March 7, 2024	Engineering Services
25	Eco South Partnership	R 672,865.00	WMM LM 24/08/22 RTE	REVALIDATION OF TOWNSHIP ESTABLISHMENT	Thursday, March 7, 2024	Development Planning
26	Enovative Technologies Africa	R 1,161,137.75	WMM LM 00057 S&D 30 L	SUPPLY AND DELIVERY OF LAPTOPS	Thursday, March 7, 2024	Corporate Services
27	Khulani Skills Development Centre	Rates	WMM LM 04/08/22/01 EWM	EXTENSION OF WASTE MANAGEMENT SERVICES	Thursday, March 7, 2024	Community Services
28	Mabozela Trading and Enterprise	R 20,873,963.09	WMM LM 00021 T BR	CONSTRUCTION OF THALENI ACCESS ROAD AND BRIDGE PHASE 1	Thursday, April 11, 2024	Engineering Services
29	Eco South Partnership	R 403,650.00	WMM LM 24/06/23/02 MLA	MUNICIPAL LAND AUDIT	Tuesday, April 23, 2024	Development Planning
30	Dream Bold Business Consultancy	R 2,998,750.00	WMM-LM 10/06/22 B GBS C	PRE-CAPACITY BUILDING FOR GBS MANUFACTURING HUBS	Tuesday, May 7, 2024	Development Planning
31	Eco South Partnership	R 195,822.00	WMM LM 13/09/04 CCS	CUSTOMER CARE SATISFACTION SURVEY	Tuesday, May 7, 2024	Municipal Manager
32	Thake Electrical	Rates	WMM LM 18/01/24/01 TCE	3 YEAR TURNKEY CONTRACT FOR ELECTRICITY SERVICES	Tuesday, May 7, 2024	Engineering Services
33	Dosvents TD	Rates	WMM LM 00056 PMS 12 M	SUPPLY AND DELIVERY OF STATIONERY FOR 12 MONTHS	Friday, May 10, 2024	Budget and Treasury
34	Masinyane and Son Pty Ltd	Rates	WMM LM 04/08/22/01 SDC	SUPPLY AND DELIVERY OF CLEANING RESOURCES FOR 36 MONTHS	Friday, May 17, 2024	Community Services
35	Lilitha Project Managers	R 5,526,582.57	WMM LM 00061 FAR	GRAP COMPLIANT IMMOVABLE ASSET REGISTER FOR 2023-26 FY	Monday, May 13, 2024	Budget and Treasury
36	BMI Electrical	R 561,821.00	WMM-LM 13/09/23/03 STM	STREETLIGHT MAINTENANCE	Tuesday, May 21, 2024	Engineering Services
37	Kati Kabizwayo	Rates	WMM LM 00051 PPE PS 36M	SUPPLY AND DELIVERY OF PPE: PROTECTION SERVICES FOR 36 MONTHS	Thursday, May 30, 2024	Community Services
38	Woman of Virtue Health	R 2,481,050.00	WMM LM 00053 W & OHP 36M	WELLNESS AND OCCUPATIONAL HEALTH PRACTITIONER FOR 36 MONTHS	Thursday, May 30, 2024	Corporate Services
39	Mabhula Force	R 744,921.81	WMM LM 04/04/24/01	WARD 04 COMMUNITY HALL PAVING	Thursday, June 13, 2024	Engineering Services
40	Bern and Willie Projects	R 390,000.00	WMM LM 28/11/23/01 RID	DEVELOPMENT OF INVENTORY OF RECORDS	Friday, June 14, 2024	Corporate Services
41	Masinyane and Son Pty Ltd	R 386,345.00	WMM LM 00056	SUPPLY AND DELIVERY OF FISHING EQUIPMENT & MATERIAL	Friday, June 14, 2024	Development Planning
42	Sword Group	R 299,900.00	WMM-LM 00064 O OE	SUPPLY AND DELIVERY OF OFFICE FURNITURE	Friday, June 14, 2024	Corporate Services
43	Techseeds Telecommunications	R 2,404,799.80	WMM-LM00060 ICC-MMB	INTERGRATION OF CIVIC CENTRE WITH THE MAIN MUNICIPAL BUILDING	Wednesday, June 26, 2024	Corporate Services
44	Sword Group	R 405,100.00	WMM-LM 00064 MMS F& YCC	SUPPLY, DELIVERY AND INSTALLATION OF MPHUTHUMI MAFUMBATHA STADIUM FURNITURE	Wednesday, June 26, 2024	Community Services
<b>Total</b>		<b>R 116,173,004.74</b>				

## 8.8 Legal Services

The legal support services office is tasked with ensuring that the municipality has all the required by-laws and policies in place in order to have the proper and effective controls to ensure that the services to the community are carried out in compliance with the framework of the by-laws as anticipated by the legislation that creates these by-laws. The municipality continuously researches the areas where by-laws must be developed and periodically reviewed and where applicable amend the by-laws in consultation with user departments.

The Municipality is planning to gazette only five (5) by laws for the financial year 2024/2025 in particular the By-laws that relate and/or impact more on service delivery. These By Laws were reviewed by Council and approved for gazetting in June 2024.

Hereunder is a list of the prioritised By laws:

- Credit Control and Debt Collection
- Indigent Support By Law
- Electricity By Law
- Recreational Facilities to be renamed Public Amenities
- Cemeteries

Synopsis of Institutional By Laws:

Name of By Law	Status – Gazetted/ Reviewed/Draft	Date of Gazette	Comment
Recreational Facilities By Law	Gazetted	27 February 2009	Reviewed with input and approved by Council 27 June 2024 – to gazetted changes
Keeping of Animals	Gazetted	27 February 2009	Reviewed no changes submitted to Council 27 June 2023
Library and Information Services By Law	Gazetted	27 February 2009	Nil
Pound By Law	Gazetted	21 October 2019	Reviewed with input approved by Council 27 June 2023 – pending gazette of changes
Meter Parking By Law	Gazetted	21 October 2019	To review
Credit Control & Debt Collection By Law	Gazetted	21 October 2019	Reviewed with input approved by Council 27 June 2024 – to gazette changes
Liquor By Law	Gazetted	07 June 2022	To review
Informal Trading By Law	Gazetted	07 June 2022	Reviewed with no changes
Rank Management By Law	Gazetted	31 October 2022	To review
Waste Management By Law	Gazetted	19 December 2022	Nil

Name of By Law	Status – Gazetted/ Reviewed/Draft	Date of Gazette	Comment
Standing Rules and Order for Council By Law	Gazetted	02 January 2023	Nil
Nuisance By Law	Draft	Approved by Council 27 June 2023	Pending gazette
Air Quality By Law	Draft	Approved by Council 27 June 2023	Pending gazette
Coastal Management By Law	Draft	Approved by Council 27 June 2023	Pending gazette
Beach By Law	Draft	Approved by Council 27 June 2023	Pending gazette
Control of Advertisement By Law	Draft		To review gaps identified on the draft

## 8.9 Litigation Management

The municipality developed and adopted legal risk management policy and strategy and has a functional legal section. A panel of attorneys is in place wherein the Municipality selects members of the panel to attend to various matters that the Municipality has such as, litigation, obtaining legal opinions, transactional advices etc.

### 8.9.1 Litigation Risk Reduction Action Plan

Every action of the Municipality is potentially litigious as there are various requirements for compliance to all Local Government related legislative prescripts, whilst also requiring compliance with other general legislation as may become pertinent.

The Municipality created the Litigation Risk Management Strategy. The strategy is aimed at identifying the various areas of litigation risk, develop an action plan to mitigate those risks.

The strategy aims to:

- ✓ Identify, manage, monitor and mitigate risks of litigation throughout the Municipality
- ✓ Actively mitigate risks identified, setting minimum standards for their management
- ✓ Allocating clear responsibilities for such management to Management
- ✓ Ensure that sound legal principles and legislative compliance is mainstreamed into operational activities
- ✓ Ensure a reduction of litigation against the Municipality through proactive monitoring.

## 8.9.2 Mitigation Process

Litigation risk reduction will be implemented through:

- ✓ Identification of and continuous review of areas where litigation risk exists
- ✓ Documented advisory service aimed at mitigation
- ✓ Allocation of responsibility for the development of procedure for management and mitigation of these risks
- ✓ Installation of appropriate segregation of duties, so that legal documentation is reviewed and executed with the appropriate level of independence from the persons involved in proposing and/or promoting transaction
- ✓ Continuous examination of the relationship between the litigation risk and other areas of risk management so as to ensure that there are no gaps in the risk management process
- ✓ Establishing minimum standards for mitigating and controlling each risk, including the nature and extent of work to be undertaken by internal and external resources
- ✓ Establishing of procedures to monitor compliance taking into account the required minimum standards
- ✓ Continuous awareness of legal reform and development in order that current compliance is continuously observed

The litigation risk reduction plan and process were developed to ensure that the Municipality complies with the strategy. Since implementation there has been continuous improvement to the compliance with the litigation risk reduction plan.

## 8.9.3 Contract Management

The Municipality procures goods and services within the Supply Chain Management process in compliance with the applicable legal prescripts including but not limited to the Supply Chain Management Policy, Supply Chain Management Regulations, Vendor performance Policy etc. The Municipality is required by law to conclude contracts for procurement of certain goods and services. It is a prerogative of the Municipality to ensure that such contracts entered into are legally binding and implementable. This is done through a vendor performance mechanism in place which further ensures that the Municipality receives value for money services and that service providers are subjected to produce quality services and/or goods to the Municipality and on behalf of the Municipality. Further a contractual obligations checklist is in place to ensure that all contracts have the necessary clauses and are compliant. The aim of the checklist is to sample contracts that are tested for compliance with amongst other things, the Supply chain management processes, clear purpose for the contract, the contract value, the duration of the contract, performance standards, clauses related to breaches and cancellation which are clear and unambiguous ensuring that such contracts contain the "*naturalia and specialia*" clauses of contract.

## 8.9.4 Institutional Compliance

The Municipality is a creature of statute and such it operates within the ambit of a vast number of legislations. The Municipality has in place an Institutional Compliance Checklist wherein all legislation issues are listed. Legal Services is tasked with ensuring that the checklist is disseminated to departments to respond to and to provide evidence of compliance and/or provide remedial actions and timeframes in cases of non-compliance.

## 8.10 Municipal Public Accounts Committee (MPAC)

MPAC was established and is functional with seven members according political party representation, ANC, ATM, DA and EFF during 2023/24 FY. Schedule of meetings for the financial year was adopted by Council and Reviewed terms of reference and work plan. Meetings are convened according to the adopted schedule by council and reports are prepared with recommendations to be received by Municipal Council for resolution. During the financial year members attended training organised by CoGTA and SALGA on Annual Financial Statements compilation and interrogation. Also, chairperson of the

committee again attended a training on SCM processes conducted by SALGA. Names of member of the MPAC and number of meetings attended is indicated as follows:

### 8.10.1 Municipal Public Accounts Committee Attendance

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
Cllr N.P Mavundla	Chairperson	FT	ANC/PR	04	04	04	0
Cllr N. Sikibi	Committee Member	PT	ANC/PR	04	04	04	0
Cllr A. Maquthu	Committee Member	PT	ANC/WC	04	04	04	0
Cllr Z.H Dyarvane	Committee Member	PT	ANC/WC	04	04	01	03
Cllr B.W Manggalaza	Committee Member	PT	DA/PR	04	04	03	01
Cllr P. Nophinga	Committee Member	PT	EFF/PR	04	04	03	01
Cllr K. Zinya	Committee Member	PT	ATM/PR	04	04	04	0

The above members served in the committee from November 2021. On the 25 November 2021 the council established the new committee as it was the beginning of a five-year term (2021- 2026 Local Government Term) of council.

## 9. CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 9.1 COMPONENT A: BASIC SERVICE DELIVERY

#### Electricity

The Winnie Madikizela – Mandela Local Municipality has a NERSA-approved electricity distribution licence (NER/D/EC 132/2016/17) and is responsible for the provision and maintenance of electricity to the residents of the town which is the seat of WMM local municipality and Eskom provides the service of electricity to the rest of the municipal area starting from the outskirts of the town to the municipal boundary. The municipality also receives funds from the Department of Energy through Schedule 5b to do electrification in rural areas. The municipality and Eskom did a 5-year electrification master plan in 2013 which has been completed and reached universal access within its area of jurisdiction. This electrification master plan was adopted by the Council through the numbers per village and reviewed before the implementation of the project. Councillors have since submitted lists of areas with extensions and growth that require electrification of households. There is a general increase of electricity demand in Mbizana as new households are constructed. Municipality and as of 2023 has started to electrify extensions in already electrified wards. In the current financial year 2023/24 WMM local municipality received INEP funding allocation of R 16 000 000.00 which was utilised for the connection of 467 households in Ward 26,31,20 and 22.

Lower Etheridge in Ward 20, Msarweni Village in ward 22 and Nomlacu Village in Ward 26 were given priority by the municipality for electrification. Three communities have had their construction successfully finished, and they are now waiting to be connected. Numerous obstacles in Zizityaneni led to the contractor's termination and the appointment of a new one to finish the project. One of the biggest problems the municipality has with electrification projects is that, because Eskom is in charge of energising, the projects are never energised when



construction is finished. The lengthy wait for Eskom to energise causes issues, such as some communities losing patience and connecting their energy illegally or, worse, destroying millions worth of infrastructure through vandalism and protests.

PROJECT NAME	WARD NUMBER	NUMBER OF HOUSEHOLDS
Msarhweni Village Ph 1	22	220
Lower Etheridge Ph 1	20	180
Nomlacu Ph 1	26	67
<b>TOTAL</b>		<b>467</b>

The new statistics as per the recent population survey shows an increase in households because of the new extensions that are created in the already electrified area. There is also an increase in the number of illegal electricity connections due to the new growth of households which connect themselves to the existing electrical infrastructure.

Financial Performance Year 2023/2024: Electricity Services					
Details	2022/23	2023/24			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any
Total Operational Budget	-	<b>(49,297,800.00)</b>	<b>(60,504,785.00)</b>	<b>(65,746,201.72)</b>	<b>(5,241,416.72)</b>
Expenditure					
Employees	5,045,207.83	5,205,192.00	5,455,492.00	5,249,880.46	205,611.54
Repairs and Maintenance	943,401.18	5,152,608.00	4,461,698.00	1,872,725.16	2,588,972.84
Other	88,208,788.07	56,945,220.00	98,397,780.00	73,887,657.21	24,510,122.79
<b>Total Operating Expenditure</b>	<b>94,197,397.08</b>	<b>67,303,020.00</b>	<b>108,314,970.00</b>	<b>81,010,262.83</b>	<b>27,304,707.17</b>
<b>Net Operational Expenditure</b>	<b>36,909,371.69</b>	<b>18,005,220.00</b>	<b>47,810,185.00</b>	<b>15,264,061.11</b>	<b>22,063,290.45</b>

Expenditure Year 2023/24: Electricity Services					
Capital Project	2023/24				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Electrification of Lower Etheridge Phase 2	3 302 604,00	-----	3 814 728.64	-----	3 814 728.64
Electrification of Msarhweni Phase 2	2 831 304,00	-----	3 414 144.08	-----	3 414 144.08
Electrification of Zizityaneni	2 673 912,00	-----	4 733 459.74	-----	4 733 459.74
Electrification of Nomlacu Phase 2	5 974 776,00	-----	6 374 331.80	-----	6 374 331.80
Upgrade of Low Voltage lines	3 500 000.00	3 500 000.00	3,029,456.00	470,544.00	3 500 000.00
And Other projects not mentioned					

Employees: Electricity services					
Level	2022-23	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	A0323, A0269 A 0390	3	A0323, A0269, A0390	-	0%
4-6	A0028	1	1		0%
7-9					
10-12	A 0209, A 0242, A 0041, A 0389, A 0324	5	A0209, A0242, A0041, A0389, A0324	-	0%
13-16	A0315	1	A0315	-	0%
Total	10	10	10	0	

## 9.2 Waste Management and Refuse Removal

The waste collection service is rendered by Environmental Services Division which forms part of the Community Services Department of the Municipality. Waste management service is provided in the CBD 7 days a week, and to Extensions such as 1, 2, 3 & 4 it is provided once a week as these are households. The municipality is also providing service to areas outside the CBD (rural areas) such as government institutions, businesses, households and in streets along R61. In executing the service, the municipality utilises Refuse Removal Employees, EPWP CWP beneficiaries to all the above-mentioned areas.

The Municipality provide black refuse bags to the residents on annual basis. Businesses and other customers without storage areas for waste are provided with waste receptacles such as wheelie bins. Other services provided includes street sweeping and litter picking within the CBD, and this activity is undertaken 7 days a week. The municipality also provides skip bins which are placed strategically in high waste production zones and residential areas serving as communal collection points. Waste management services has been extended up to approximately 60km to 42 rural areas using a cage system, where cages are placed on identified areas for community to dispose of their waste, and that is then collected by contractors during collection days.

The municipality has reviewed the Control and Regulation of Waste Management bylaw, which serves as a platform/basis to monitor and enforce compliance in waste related matters within the municipal jurisdiction. Currently, the bylaw has been gazetted and are available to be used. Further to the above, municipality have Waste Management Tariff Policy, and adopted by the Council.

Our area has five public beach areas where waste collection is managed through EPWP beneficiaries in three beaches. The beneficiaries are responsible for waste collection and removal of invasive alien plant species along the coast. The area is characterised by dongas due to illegal sand mining. These dongas are utilized as waste hot spots. The municipality is servicing all businesses, government institutions, NGO's in town. The municipality has extended its services to a number of government institutions, NGO's and businesses in rural areas which some were previously not receiving the service. Most of these entities does not have storage areas for waste and make use of pedestrian bins on the pedestrian walkways. This causes various problems for the municipality like wind blowing litter, waste pilling up in

front of shops and on the roads, traffic blockages for pedestrians and general unsightliness. Ideally every shop should have storage for waste to reduce waste that is disposed on pedestrian's bins.

**Waste Equipment /Fleet used for waste collection services by the Municipality:**

Reg. Number	Section/Division	Make
FWK 197 EC	Solid Waste	Hino Super F
DTH 289 EC	Solid Waste	Mercedes-Benz Axor
JNG815EC	Solid Waste	Fuso
KKC 895 EC	Solid Waste	Isuzu
KKD 148 EC	Solid Waste	Isuzu
JNX120EC	Solid Waste	Hyundai
JFG 442 EC	Solid Waste	Hyundai
JNV 743 EC	Solid Waste	Landin
KFG 940 EC	Solid Waste	Toyota
JTG283EC	Solid Waste	Nissan

**Successes**

**Management of Waste Outside the CBD**

The municipality has come up with strategies for management of waste in busiest points outside the CBD and along R61. The municipality is utilising EPWP beneficiaries to attend to these points on a daily basis, and also attend to illegal dumping along R61. For all collections and disposal of collected waste, the municipality is using refuse trucks and mini trucks and contracted a service provider through Extension of Waste Management Project, Contract Number **WMLM 04/08/22/01 EWM**.

**Reporting to SOUTH AFRICAN WASTE INFORMATION SYSTEM (SAWIS)**

The municipality is reporting to SAWIS on tonnages and quantities of waste disposed at the municipal disposal site. Since the municipality do not have weigh bridge, for reporting purposes the municipality is using manual method where tonnages of waste are recorded manually and translated on the system as means of reporting. This method is not accurate as there is no proper scale, however the estimates are used to report.

**Skip Bin Services**

The municipality is continuing with the skip bin service to all 45 skip bins placed in and around the town. The project is one of the successful projects at management of areas which were previously used as waste hotspot in Bizana. The cleaning and management of skips within the municipality is championed by the municipal EPWP and Refuse Removal employees. Daily upliftment of all 45 skip bins is done using municipal skip loader trucks, purchased purposely for skip bins. More areas, especially those with high waste production volumes requests more skips to be placed in their areas.



### **Cleaning of Beaches**

The municipality has started with the cleaning of the 3 beaches that are in ward 24, 25 and 28. The municipality started cleaning the beaches after the project which was funded by DFFE Coast Care project ended. The municipality achieved this through EPWP beneficiaries picking where these beneficiaries focuses on litter picking.



### **Extension of Waste Management Services to Rural Areas**

As means of minimizing illegal dumping to un-serviced rural areas, extension of waste management services was one of the projects that assisted the municipality in dealing with waste to areas which were previously unserved. This project was initially piloted in 3 wards (ward 13, 23 and 24). The implementation strategy taken to execute the project was identification and placing of cages in central points within wards, where community members go and dispose off their waste. The project is ongoing to all the above-mentioned wards through service provider contracted by the municipality for 18 months.



Other wards except the above mentioned one's, the service is provided partially as the municipality have limited capacity to render the service fully. In those wards the municipality mainly focuses on areas which are along the R61, and these are Ward 04 (Ludeke Halt, Siwisa area), Ward 6 (Mhlanga entrance), Ward 07 (Nyanisweni, Jerusalem Bus stops), Ward 08 (Dudumeni, Magusheni business centre), Ward 10 (Ntlenzi area), Ward 19 (Zamokuhle Special School), Ward 20 (Imizizi Clinic), Ward 21 (Greenville Hospital and Clinic), Ward 23 (Zikhuba, Marina & Seaview areas) Ward 24 (Lubusi Boutique Hotel, EMampingeniLodge), Ward 26 (Magadla, Nomlacu bus stop, Nompumalanga bus stop, Hluma Flea Market and Lodge) and Ward 31 (Zizityaneni bus stop) in trying to bridge the gap.



### **Waste Minimization and Recycling Programmes**

As means of minimising large volumes/amounts of waste taken for disposal, the section is working with a number of local registered and unregistered recyclers which deals with collection of cardboards, papers, plastic, tins and bottles/glasses for recycling. Currently, most of these local recyclers are at primary stage of recycling meaning that they sell their products to middle men which then sell to other companies such as Consol, Mondi, Collect A Can for processing and manufacturing. Their impact towards securing/increasing the life span of EXT 03 disposal site is indeed noticeable, as most of the recyclables (cardboards, papers, plastic, tins and bottles/glasses) are diverted from site for recycling, and this contributes a lot in preventing the site from running out of airspace.

There are currently no formal Municipal driven Buy Back Centres, however there are plans in place for establishment of municipal Buy-Back Centre. Informal reclamation activities are evident on the waste disposal sites. Some shops in Mbizana, specifically have informal recycling individuals who collect cardboard and plastics and sell them for their own benefit.



### Waste Management Campaigns/Clean up Campaigns

The municipality has conducted 10 Waste Management Awareness & Cleaning Campaigns around wards in Bizana. The purpose of these campaigns was to promote cleanness around our areas, and to educate our societies about the best practice of waste management in order to achieve an integrated waste management. These campaigns had played a significant role in decreasing the amount of illegal dumping spots around Bizana area, and as such most areas which were previously used as illegal dumping spots were converted to open spaces and mini-parks for our communities.



### Tariff Structure for WMMLM

In the previous years, reports were indicating that the municipality was rendering the waste service at a deficit. Several studies were conducted, and new amendments were proposed and approved by the council. The new tariff structure for waste service was established, and came into effective in July 2018. For both commercial (businesses, government institutions and privately-owned entities), and residential customers, new categories were established. All waste related billing was based on a number of activities practiced in each stand, nature of

business, type of collection and frequency of collection. Tariffs are reviewed yearly, and amendments are advised where necessary. The municipal reviewed and adopted its Waste Management Tariff Policy in May 2022 which works as a guideline in ensuring proper waste management. The municipality has started a process of engaging with businesses, government department, and privately-owned entities which are outside the CBD and closer to the R61 route about waste billing, as these entities were already receiving service from the municipality, but some were not being charged for the service.

Solid Waste Service Delivery Levels House Holds						
Description	2020/21	2021/22	2022/2023	Original Budget No	Adjusted No	Actual No
	Actual No	Actual No	Actual No			
Solid Waste Removal:						
Removed Once a week	1453	1663	9 986			
Removed More than once a week	0	0	0			
Total Number of House holds	1453	1663	9 986			

Employees: Waste Management and Refuse Removal services					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	A0009 A0064 A0071 A0072 A0073 A0102 A0128 A0129 A0130 A0133 A0141 A0142 A0143 A0146 A0147 A0148 A0272 A0273 A0274 A0275 A0276 A0277 A0278 A0279 A0282 A0294 A0295 A0296 A0297	38	A0009 A0064 A0071 A0072 A0073 A0102 A0128 A0129 A0130 A0133 A0141 A0142 A0143 A0146 A0147 A0148 A0272 A0273 A0274 A0275 A0276 A0277 A0278 A0279 A0282 A0294 A0295 A0296 A0297	3	

Employees: Waste Management and Refuse Removal services					
Level	2022/2023	2023/2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
	A0298 A0412 A0413 A0406 A0411 A0407 A0410 A0405 A0409		A0298 A0412 A0413 A0406 A0411 A0407 A0410 A0405 A0409		
4-6	A0305 A0018 A0022 A0077 A0381 A0382	6	A0305 A0018 A0022 A0077 A0381 A0382	1	
7-9	A0251 A0383	2	A0251 A0383	1	
10-12	A0251 A0303	2	A0251 A0303	0	
13-16	A0156	1	A0156	1	
<b>Total</b>	49	49		49	

Capital Expenditure Year 2023/24: waste Management and Refuse Removal					
Capital Project	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Construction of Dumping site Ext 3	5,217,395.00	5,217,395.00	1,819,336.50		
Construction of Landfill	2,357,995.00	2,357,995.00	1,062,021.74		
Skip bins	434,724.00	434,724.00	374,750.60		
Truck Refuse	3,478,260.00	3,478,260.00	2,288,396.24		

Financial Performance Year 2023/24: Waste Management and Refuse Removal					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance if any



<b>Total Operational Revenue</b>	<b>(19,844,031.00)</b>	<b>(8,903,328.00)</b>	<b>(7,723,328.00)</b>	<b>(7,151,168.00)</b>	<b>(14,874,496.00)</b>
<b>Expenditure</b>					
<b>Employees</b>	18,077,112.00	19,148,304.00	19,108,328.00	19,981,837.00	(873,509.00)
<b>Repairs and Maintenance</b>	866,719.18	1,099,992.00	1,559,992.00	1,494,211.03	65,780.97
<b>Other</b>	6,135,841.82	8,484,180.00	9,391,156.00	7,590,108.97	1,801,047.03
<b>Total Operating Expenditure</b>	25,079,673.00	28,732,476.00	30,059,476.00	29,066,157.00	993,319.00
<b>Net Operational Expenditure</b>	5,235,642.00	19,829,148.00	22,336,148.00	21,914,989.00	(13,881,177.00)

### Legal Compliance for the Waste Management Facilities

Only the Majazi waste disposal site is in possession of a license in the Winnie Madikizela-Mandela Local Municipality. EXT 3 waste disposal site is not licensed as per the Waste Act; however, the municipality was in a process of applying for a waste license for operation to ensure compliance with the applicable legislations. To ensure that the site is controlled, fencing has commenced. The municipality conducted reviewal of financial projections report for EXT 3 disposal site in preparation for closure.

### Challenges

- The municipality is currently operating in a disposal site at EXT 3, which is currently running out of air space for future burial of waste.
- Delays in endorsement of IWMP.
- Limited resources to service the entire municipality as required by legislation.
- Limited resources to put up required infrastructure for provision of better service.
- Uncontrolled sewage from some businesses & households around the town.
- Drainage system-uncontrolled run offs from the drains during rainy season further exacerbate the situation.
- Geographic landscape & bad roads in some areas make it difficult to access other areas.
- Some businesses have not yet understood the municipal waste tariff strategy.

### 9.3 Housing

The majority of people in the municipal area live in rural communal areas (98%) in traditional housing. The bulk of the housing demand is therefore vested in rural areas. The exact housing need in the municipal area is 19 627. The majority of people within the municipal jurisdiction are residing within self-built structures (traditional dwellings) within rural settlements. WMMLM is rural in nature, and consists of dispersed, scattered rural unplanned settlements. The municipality is implementing rural housing subsidy programme, aiming in building houses within the rural communities. There is a huge demand of housing within the municipal jurisdiction in both Urban and Rural Areas.

The exact housing backlog and subsequent housing demand for the WMMLM is in rural areas compared to the urban. The settlement pattern of the municipal area reflects a predominantly rural character and the vast majority of the population resides in rural traditional houses. There is a high demand of middle-income houses within the urban area; the main issue is unavailability of land, due to unresolved land claims between the municipality and communities as the municipal commonage is subject to land claims. The municipality is currently formalising Downtown informal settlement through the in situ upgrading. The scope of work entailed pre-planning and the layout plan was adopted by the council. The project will be handed over to the Department of Human Settlements for the construction of top structures soon as the Environmental Impact Assessment (EIA) and general plan is approved.

In addition, the Municipality’s Spatial Development Framework identifies land for future settlement development. The municipality adopted the reviewed Spatial Development Framework (SDF), aiming in guiding development within the municipal jurisdiction. According to the SDF, numerous land pockets are identified for human settlement development, proposing various housing densities and typologies. The SDF is aligned to the municipal Integrated Development Plan (IDP) and it contains the housing chapter extracted from the housing sector plan for the purpose of housing development and delivery within the municipal jurisdiction.

<b>Employees: Housing</b>					
<b>Level</b>	<b>2022/23</b>	<b>2023/2024</b>			
	<b>Employees No</b>	<b>Posts No</b>	<b>Employees No</b>	<b>Vacancies</b>	<b>Vacancies % (As a % of total posts)</b>
0-3	-	-	-	-	-
4-6	1	2	1	1	50%
7-9	-	-	-	-	-
10-12	1	1	1	0	0%
13-16	-	-	-	-	-
<b>Total</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>67%</b>

WMMLM doesn’t have developer status in terms of implementing the housing delivery, it only coordinates, facilitate and administer housing projects. The Department of Human Settlements is responsible for all housing related projects and is the implementing agent on behalf of the municipality; therefore, the Municipality doesn’t provide any capital expenditure budget for housing section, except for employees.

<b>Financial Performance Year 2023/2024: Housing</b>					
<b>Details</b>	<b>2022/23</b>	<b>2023/2024</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>Variance if any</b>
<b>Total Operational Revenue</b>	-	-	-	-	-
<b>Expenditure</b>					
Employees	1,055,800.77	990,468.00	1,035,468.00	1,087,531.60	(52,063.60)

Repairs and Maintenance	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Operating Expenditure</b>	<b>1,055,800.77</b>	<b>990,468.00</b>	<b>1,035,468.00</b>	<b>1,087,531.60</b>	<b>(52,063.60)</b>
<b>Net Operational Expenditure</b>	<b>1,055,800.77</b>	<b>990,468.00</b>	<b>1,035,468.00</b>	<b>1,087,531.60</b>	<b>(52,063.60)</b>

Capital Expenditure Year 2023/24 Housing					
Capital Project	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
-	-	-	-	-	-

## Successes

The Department of Human Settlements appointed Housing Development Agency (HDA) as the Implementing Agent of this project. HDA appointed Zenawe Consulting Engineers as the Professional Resource Team (PRT) to undertake professional services for the project and TCT Civil and Construction for the construction of Interim and Permanent Engineering Infrastructure Services in Downtown and Highland in upgrading informal settlements, the project is on-going.

The Department of Human Settlements has unblocked 8 housing projects that were blocked. Also, there is a project of additional scope of 56 units that is undergoing and a project that is a response to disaster with 200 units that is undergoing. Mbizana is the area prone to disaster, residents within the rural part of the municipality are highly vulnerable and impacted by disaster. Many disaster incidents were reported related for houses blown away by heavy winds, rains resulted to people being homeless.

## Challenges

Mbizana is the area prone to disaster, residents within the rural part of the municipality are highly vulnerable and impacted by disaster. Many disaster incidents were reported related for houses blown away by heavy winds, rains resulted to people being homeless.

The terrain is not friendly to delivery of Human Settlement within the rural spaces and also result to slow delivery of houses. We are experiencing slow responses from the department for emergency houses as the contractors are not interested because of spatial issues of distance within affected areas that will not be feasible to deliver if they take the project. The municipality have a huge backlog of destitute houses to deliver on.

### 9.4 Free Basic Services

#### Provision of free Basic services

The Municipality is providing free basic electricity, free basic refuse removal in Ward 1 and free basic alternative energy in the form of solar. The qualifying beneficiaries are extracted from the approved and adopted indigent register. The number of qualifying beneficiaries each year varies as it is dependent on the availability of funds.

#### Indigent register

The Indigent Register was approved and adopted by Council for implementation in the 2023/2024 financial year. The total number of indigents for that financial year was 18 428.

#### Number of people benefiting in Grid and FBAE

There were 100% qualifying beneficiaries for free basic electricity and 743 qualifying beneficiaries for Free Basic Refuse Removal and 15 for solar maintenance.

Free Basic Services to Low Income House holds						
Year	Number of House Holds					
	Total	House Holds Earning Less than R 1 100.00 Per month				
			Free Basic Electricity		Free Basic Refuse	
	Total	Access	%	Access	%	
2023/2024		4216	4216	100	743	100

## Indigent Awareness Campaigns Conducted

Conducted 10 Indigent Awareness Campaigns at Ward 01 at Roman Catholic Church on the 16 August 2023, 12 September 2023 at Ward 12 at Amandela Great Place, 02 October 2023 at Ward 06 at Ntshamathe Community Hall, 31 October 2023 Ward 23 Community Hall, 20 November 2023 at Ward 05 Nonqhulana Community Hall, 30 November 2023 at Ward 16 AFM Church Hall, 10 January 2024 at Ward 01 at Anglican Church, 20 March 2024 at Ward 04 at Sizaluthambo Community Hall, 15 May at Ward 03 Sithukuthezi Community Hall, 12 June 2024 at Ward 04 Sizaluthambo Community Hall

## Project Goals & Objectives

- Get common understanding of the Indigent Policy.
- Ensure the implementation of the Indigent registration by subsidizing qualifying beneficiaries with grid electricity and FBAE.
- Pledge for support of the program.
- Ensure the provision of basic services to indigent household in communities falling under the jurisdiction of Winnie Madikizela-Mandela Local Municipality in sustainable manner, within the financial and administrative capacity of Winnie Madikizela - Mandela LM.
- To ensure the implementation of FREE BASIC SERVICES to the indigent.
- To monitor the provision of the services and impact determination.
- To establish an information system that will be use to capture data for each and every indigent households in the municipality.
- Achieve an up to date household database for the improved basic service delivery and planning.
- To collaborate with other stakeholders to ensure subsidization of poor households with free basic services.

Financial Performance 2023/2024: Cost to the Municipality Free Basic Services Delivered					
Services Delivered	2022/23	2023/2024			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Free Basic electricity and free Basic Alternative Energy	4216 2646	R8 988 000.00	N/A	R6 642 446,12	N/A
Indigent Burial Support	N/A	N/A	N/A	N/A	N/A
Indigent to rates	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	

## 10. COMPONENT B: ROADS

### 10.1 Roads and Storm Water Drainage

The municipality's road infrastructure is categorised and classified based on the body in charge of funding, maintaining, and building it. There are three categories for roads: access, district, and province. The Winnie Madikizela-Mandela Local Municipality is the local government responsible for gravel access roads, while the Eastern Cape Department of Transport oversees provincial and district roads.

The municipality gave the construction and rehabilitation of 72.4 km of gravel access roads in different wards within its control top priority for the 2023–2024 fiscal year. Ntlanezwe to Sizabonke Access Road, Mwilini to Zibanzini Access Road, Mgomazi Access Road-Phase 2,

Mhlwazini Access Road, Mgqutsalala Access Road, Bhukuveni to Ntshikintshane and Mbongwana via Dotye to Greenville are the access roads for MIG that have been built and finished, mntomkhulu to gxeni, lumphondweni, langalethu to dotye, ntamonde, mgodini to mcijweni

Due to the contractor's subpar performance, the Sidanga Access Road with Bridge and Concrete slab was not completed, and after the proper procedures were followed, the contractor was fired. The following MDRG projects were carried out in 2023–2024 after being carried over from 2022–2023; they include the following: restoration of the Zamilizwe Access Road, Lumphondweni Access Road, Mgomazi Access Road, Ntlozelo Access Road, Monti Access Road, Langaletu to Dotye Access Road, Dumasi Access Road, and Matshezini Village Access Road Phase 2.

The following projects were carried out by the municipality after it was given an allocation on the MDRG in March 2024: the rehabilitation of Khaleni Access Road in Wards 7 and 26, the rehabilitation of Ndayini Access Road in Ward 9, Rehabilitation of Labane Access Road in Ward 15 and Rehabilitation of Mntomkhulu to Gxeni Access Road in Ward 30 and the rehabilitation of Ndela in Ward 12. The municipality was able to complete the Rehabilitation of Mntomkhulu to Gxeni Access Road even though the Disaster Grant allocation was received with less than three months left in the financial year. The municipality has applied for a rollover of the disaster grant in light of funds not being spent by 30 June 2024.

The municipality prioritized the construction and completion of the Civic Centre and Ward 13 ECDC. The Civic Centre was a multi-year project with its grand opening being earmarked early in the 2024/25 financial year.

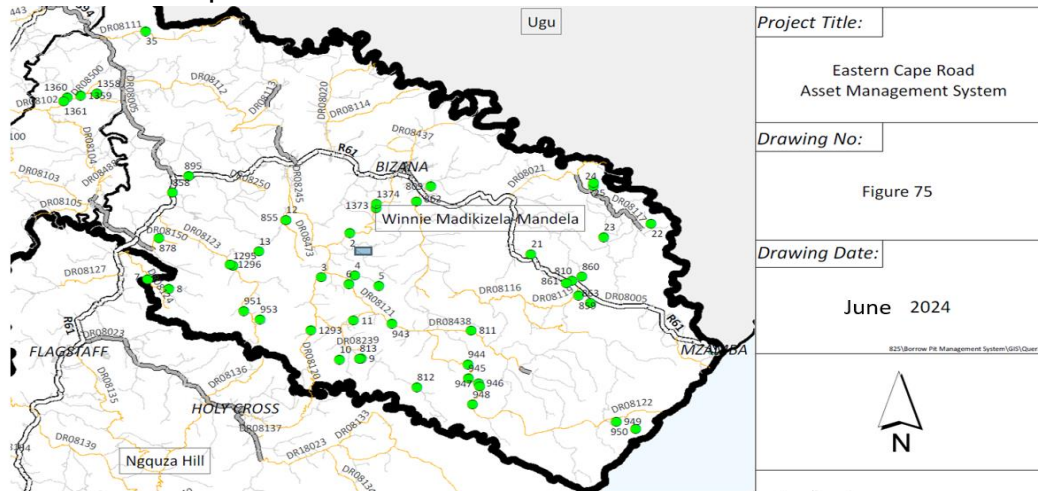
## **Challenges**

Challenges faced during the financial year include accessing of Borrow Pits in all wards as the communities expect the municipality to compensate them for the use of the Borrow Pits to construct or rehabilitate access roads. This is a challenge as it has financial implications that were not catered for during the planning stages, it also delays the implementation of the projects. The municipality should embark on intense programmes led by the council to educate communities. Plant breakdowns take too long to be repaired by the Municipality. Mechanic is required to mitigate some of the challenges that we face on a daily basis with repairs of the Municipal Machinery.

## **Borrow pits**

The municipality relies heavily on borrow pit materials for roads construction and maintenance, however, it faces a significant difficulty in that borrow pits are becoming harder to come by and using them is becoming pointless. A list of all the borrow pits within the municipality have been mapped out for ease of locating.

Figure: WMMLM Borrow pits



Borrow pits in communities already in place must be paid for in some way before being used. This presents a problem for the municipality, particularly given how much it depends on donations to fund development projects. The types of compensation vary from community to community; in many areas, access to the borrow pit is contingent upon the rehabilitation of existing infrastructure. select communities require contractors to give back in the form of sporting goods to local sports teams. In the worst situations, however, financial recompense is required to select community members, such as the traditional leaders, who demand that contractors pay amounts ranging from R10 000.00 to R50 000.00 for each load or the use of the borrow pit.

These demands impede the project's advancement because the BOQ and, particularly, the grant allocations that the municipality depends on do not address these items. The communities block access to borrow pits until these demands are fulfilled. There aren't any borrow pits in some wards, and the distance between the project and the borrow pit drives up costs. To address these issues, the municipality must step up its awareness-raising and public engagement efforts. These efforts should inform communities about the kinds of initiatives the municipality is working on, the grants it receives, and how it uses them.

Before any project, the municipality holds community engagements to ensure public participation and that communities are actively involved from the inception period of the project till the asset is handed over for use by the community. The municipal ISD Officer is responsible for making sure the project's social component is carried out fully through community engagements, community consultation before project handover, where the community is asked to confirm that the proposed project is what they requested and still necessary, monthly meetings of the Project Steering Committee during the project, and a close-out meeting where a walkabout will be conducted with the entire Committee under the direction of the Ward Councillor to ensure that the completed scope of work complies with the requirements. The project is also closely monitored by the Municipal Technician, Consulting Engineer, Project Steering Committee and other personnel that form part of the project management team.

Gravel Road Infrastructure: Kilometres				
Years	Total gravel Roads (Km)	New Gravel Roads Constructed	Gravel Roads Upgraded to Tar	Gravel Roads Maintained
2021/2022	983.55	25.8	0	28.8
2022/2023	1002.80	19.25	0	78
2023/2024	1064.40	61,6	0	201.3

Cost of Construction and Maintenance: Rand Per KM				
Year	Gravel Roads		Tarred Roads	
	New gravel road	Maintained Road	New	Maintained
2020/2021	8	28.8		28.8
2022/2023	7	78		78
2023/2024	8	178.1		178.1

Financial Performance Year 2023/2024: Roads					
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
Total Operational Revenue	0	0	0	0	0
Expenditure					
Employees					
Repairs and Maintenance	31 125 432.68	31 125 432.68	0	31 125 432.68	0
Other					
<b>Total Operating Expenditure</b>					
<b>Net Operational Expenditure</b>					

## 10.2 Road Maintenance

The year was an election year which brought on various requests for road maintenance from different communities. These resulted in service delivery protests and oftentimes a commitment to service the community in those areas with special deviations to be undertaken as part of road maintenance. Various roads were bladed and may become un-trafficable during heavy rainfall; however, communities have requested this short-term intervention to aid in the access challenges. Needs for community roads are shifting from basic access to those of internal streets, due to intensive growth of human settlements in the rural areas. The municipality has therefore entered into an agreement with the CSIR to ensure consolidated planning of road infrastructure to improve overall access and delivery.

On 2023/2024 financial year, the municipality constructed & completed Dinizulu A/R, Rockville to Komkhulu A/R. Mabhanqana A/R, Dyifane A/R .Mtshawedikazi to Lundini A/R, Marhelane to MhlubuvelileA/R , Bhulorweni A/R , Goxe A/R, Mabutho A/R , Marina A/R , Zini to Forest A/R ,Mthamvuna A/R , Mlindazwe A/R , Shesi A/R using plant hire . Winnie Mandela Local Municipality has Internal Plant that consists of



two sets : 1X Bell Grader 670G, 1X CAT Grader 140 K, 2X Roller CAT , Bell Roller ,1x Horse & Lowbed Trailer,2x water curt Trucks, 1x Diesel tanker Truck and 1x Bakkie. Internal Plant manged to do these 27 gravel access roads in various wards , namely : Manteku to Mangudu A/R, Kholi A/R, Seaview to Maboyini A/R, Galavane A/R,Plangeni via seaview to dipini A/R , Dyifane A/R , Dutyini A/R , Lukhola to Bethula A/R, Costa A/R , Ntlenzi to Mcetheni A/R Andile to Mbhongweni A/R, Vulindlela via Sirhasheni via Lucingweni to Mzamba Mouth A/R , Bekela to xolobeni A/R, R61 to Tankini A/R , Mpondombini A/R , Mhlanga internal streets , Qandashe A/R , R61 to six corner , Goxe A/R , Seaview to Msomi A/R , Nombani A/R ,Gwabeni A/R , Mbiba A/R , Reform to Mabhula, Ncenjane A/R , Galatyeni A/R , Gxagxiso A/R.

<b>Capital Expenditure Year 2023/2024: Roads and Maintenance</b>					
<b>Capital Projects</b>	<b>2023/2024</b>				
	<b>Budget</b>	<b>Adjusted Budget</b>	<b>Actual Expenditure</b>	<b>Variance from Original Budget</b>	<b>Total Project Value</b>
Construction of Goxe AR	720,000.00	4,923,989.00	4,000,710.57	923,278.43	2,931,010.28
Construction of Rockvile AR	178,000.00	3,596,735.00	2,548,678.58	1,048,056.42	4,601,357.49
Construction of Mntomkhulu to Gxeni AR (Disaster Grant)	-	2,548,486.71	2,548,486.71	-	2,936,509.72
Construction of Mgomazi	703,140.00	576,110.00	576,110.00	-	5,666,046.62
Construction of Mwilini	7,553,784.00	6,120,452.00	6,105,756.55	14,695.45	7,213,964.77
Construction of Mgqutsalala	2,307,516.00	6,614,286.00	5,193,908.10	1,420,377.90	5,315,011.35
Construction of Mhlwazini	3,795,612.00	4,268,228.00	3,695,372.90	572,855.10	4,918,976.88
Construction of Bhukuveni	1,951,776.00	2,696,143.00	2,392,762.91	303,380.09	2,764,421.00
Construction of Ntlanezwe	8,248,692.00	7,372,442.00	6,837,373.75	535,068.25	7,966,555.42
Construction of Izinini	-	3,487,035.00	3,238,675.00	248,360.00	3,799,600.00
Construction of Marhelane	-	2,518,000.00	2,259,427.50	258,572.50	2,598,341.00
Construction of Mgodini to mcinjweni	-	452,120.32	452,120.32	-	3,717,484.19
Construction of Mtamvuna	-	2,504,350.00	2,310,472.24	193,877.76	2,657,043.09
Construction of Umhlambi	357,792.00	2,527,960.00	3,797,543.13	(1,269,583.13)	4,367,381.93
Construction of Bholorweni	-	2,513,100.00	1,992,062.00	521,038.00	2,380,513.80
Construction Mlindazwe	-	1,928,700.00	1,784,999.58	143,700.42	2,052,749.50
Shesi Construction	-	2,513,045.00	2,280,119.50	232,925.50	2,622,137.43

**Capital Expenditure Year 2023/2024: Roads and Maintenance**

Capital Projects	2023/2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Rehabilitation of Ntamonde		356,362.00	306,671.05	49,690.95	4,050,934.37
Construction of Mbongwana to Dotye to Greenville Hospital AR	6,830,328.00	14,817,821.00	9,532,557.18	5,285,263.82	11,603,436.19
Construction of Mngomanzi AR	3,938,064.00	5,517,091.00	4,730,685.30	786,405.70	4,323,440.20
Construction of Thaleni Access Road	6,675,224.00	0	7,639,926.76	6,675,224.00	24,708,416.01
Rehabilitation of Labane Access Road	0	4,367,826.00	2,387,227.50	4,367,826.00	4,909,976.55
Rehabilitation of Ndayini Access Road	0	4,131,305.00	2,855,550.62	4,131,305	4,540,072.40
Rehabilitation of Khaleni Access Road	0	3,769,565.00	4,262,638.07	3,769,565.00	2,521,894.57
Rehabilitation of Mntomkhulu to Gxeni Access Road	0	2,060,000.00	2,930,759.72	2,060,000.00	2,936,509.72
Rehabilitation of Ndela Access Road	0	2,626,957	2,570,527.72	2,626,957.00	2,913,661.30

**Employees: Project Management Unit and Operations and Maintenance**

Level	2023/2024				
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts)
0-3					
4-6	A0270, A0159, A0151, A0235, A0403, A0050, C0077, A0268, C0015, C0059	11	10	1	
7-9					
10-12	A0238, A0097, A0088, A0322, A0208, A0237	7	6	Filled	
13-16	A0167	1	1	Filled	
<b>Total</b>	17	19	17	5	

## **11. COMPONENT C: PLANNING AND DEVELOPMENT**

### **11.1 Planning and Development**

The Planning and Development consists of two sections namely; Local Economic Planning Development, Planning and Land Use. The two sections work closely to each, due to the nature of work in order to promote development and enhance local economic growth.

#### **Location of the section**

Planning and Land Use Section is located in the Planning Development Department. The section comprises of subsections namely; Town Planning, Building Control, Housing, Geographic Information System services (GIS) and Real Estate, as per the approved organogram structure.

#### **Objectives and functions of the section**

The main objectives of the section are to facilitate, coordinate, administer, implement as per the departmental mandate;

- To ensure controlled and coordinated urban development
- To ensure a reliable register of land and valuation of properties
- To ensure Development and Review of Spatial Development Framework, Nodal Plan, Precinct Plan and Local Spatial Development Framework
- To ensure availability of land for development
- To ensure a safe and planned built environment for the future
- To ensure development of integrated, sustainable human settlements
- To avail land for purposes of development, housing, commercial, industrial, social and recreational facilities.
- To ensure maximum use of space through infill planning/ densification
- To facilitate the formalisation/ upgrading of informal settlements
- To facilitate human settlement development, township establishment, street naming and numbering, small town revitalisation
- Ensure compliance of Building legislation, town planning scheme, legislation, act adhered to
- Facilitate the prevention of illegal occupation of municipal land
- Facilitate land acquisition and disposal

#### **Functions**

A function of the section is to enhance service delivery through planning, facilitating, coordinating, administering and implementing the following functions;

#### **Spatial Planning**

- To ensure an informed approach towards development in the future in developing of Spatial Development Framework, Nodal Development Plans, Precinct Plans and Review of Spatial Planning Plans.
- Development of a Town Planning Scheme and Zoning Plan, Integrated Land Use Scheme to promote development to occur in a harmonious and coordinated manner
- Development of a Land Use Management System in providing guide lines for land use management in an integrated approach.

- Development of Land Audits in identification of municipal, state and private land for purpose of acquisition, disposals, preservation for future development, proper billing.

### **Building Control**

- Building Control to improve the built-up area that all building plans submitted comply with building regulations by conducting site inspection, building development, management, control and demolishing.
- Facilitate the prevention of unauthorised building works and occupation of illegal buildings.

### **Valuation**

- Develop a credible valuation roll that will improve the property valuation, billing and revenue enhancement for the municipality. Valuation of municipal land for possible disposal and supplementary valuation roll.
- Conducting of supplementary valuations

### **Town Planning**

Land use management for effective, efficient use of land, development control, enforcement and assessment of development applications received and processed for the following categories:

- Rezoning,
- Sub-division,
- Consent use,
- Removal of restrictive conditions
- Township establishments
- Permanent departures
- Temporary departures
- Consolidation
- Land Surveying

### **Land administration**

The management and administering of council owned land, municipal buildings and investment properties for the following;

- Disposal of council land
- Property management of council land, houses and leases on land.
- Acquisition of land for development
- Dealing with land invasions on council land
- Encroachments in municipal properties

### **Geographic Information Services**

Providing of Geo spatial services and offering support within the municipal departments in the following services;

- Undertake municipal data capturing and update spatial planning
- Undertake capturing and update of municipal immovable assets (Assets Register)
- Maintenance of GIS Infrastructure

### Human Settlement

The Constitution of the Republic of South Africa, 1996 states that everyone should have access to adequate housing. The Housing Act, (of 1997) make provisions the compilation of Housing Sector Plans to be integrated with District Housing Sector Plan and aligned with the Integrated Development Plan.

- Provision of housing and services to guide human settlements, responsible for Beneficiary administration; facilitate the provision of housing and coordinating housing projects

### Key stake holders,

The main players involved in development planning mainly in planning and land use Stakeholder Role Responsibility

Department of Local Government and Traditional Affairs	Planning and Surveys, Formalisation of informal settlements, statutory applications approval, spatial planning and land use management
Department of Rural Development and Land Reform	Spatial Planning and Land Use Management, SPLUMA, Land Tenure, Land Claims, Deeds Office, Surveyor General Office.
Dept of Justice	Court Orders for enforcing of bylaws, regulations and municipal policies
South African Police Services	Law Enforcement and Crime prevention
Alfred Nzo District Municipality	GIS Support, spatial planning and land use management
Department of Public Works (provincial, national)	Small Town Revitalisation, Land Acquisition and Disposal
South African Local Government Association	Small Town Regeneration Programme, Land Use Management and Spatial Planning.

## **Challenges**

Land use management for effective, efficient use of land, development control, enforcement and assessment of development applications received and processed for the following categories:

- Contraventions of town planning scheme regulations and building act standard.
- Illegal land uses and unauthorised building
- Undeveloped residential, commercial sites,
- Land invasions, informal settlement development
- Land claims impeding development
- Dilapidated and deteriorating buildings
- None responsive applications in appointment of the municipal planning tribunal

## **Successes**

The section has developed the dilapidated buildings and land invasion policy to deal with the dilapidated buildings and land invasions and outdoor advertising policy to increase revenue streams. The sectional organogram is approved and all posts are filled and implementing the departmental mandate.

## **Implementation of by-laws**

The section is experiencing slow implementation of bylaws, due to the nature of the statutory policies require consultations, serving of notices and council resolutions, court orders prior implementation. The bylaws have been adopted by the council and gazetted.

## **Land audits**

The municipality is currently reviewing the Land Audit for council approval. The main purpose of the urban land audit was to have an up to date information on all properties, to enable an efficient billing system which will benefit the municipality and residents as well as initiate land use management system that will ensure that the municipality effectively perform its land use function. To also enable the municipality to avail accurate information to property owners in order to ensure efficient development of the said properties and the ownership status of land within the urban edge and rural properties.

The main purpose of the rural land audit was to obtain the information on the surveyed and unsurveyed properties, registered, unregistered properties in all rural wards through a ward-based approach. The municipality obtained the cadastral information that will assist in influencing planning and decision making within these rural spaces and is aligned with the rural zoning

## **Issues of land claims,**

WMMLM has a number of land claims that were lodged in the past years. Various individuals, groups and communities lodged restitution claims for various portions of land around Bizana. The nature of the claims vary from one claim to the other, most of the claims are community claims which involve large portions of land. Some of the land claims fall within the Sustainable Rural Development Program (ISDRP) nodal point. They are as follows: -

- Betterment claims
- Commonage claims
- Forestry claims

- Conservation claims
- Sugar cane claims

The restitution claims in Mbizana are at various stages of the settlement process, including research, claimant verification, valuations, settlement and court referral as guided by Restitution of Land Rights Act 22 of 1994. Urban land claims including the municipal commonage, impeding development. Township Establishment south of Bargain wholesale and commercial development in Erf 110 is part of the land claims in Town.

### Building control

In terms of the National Building Regulations and Building Standard Act “No person shall without the prior approval in writing of the local authority in question, erect any building in respect of which plans and specifications are to be drawn and submitted in terms of this Act and if a local authority, having considered a recommendation referred to, is satisfied that the application in question complies with the requirements of this Act and any other applicable law, shall grant its approval in respect thereof.

Building Control Section is mandated by council to enforce the National Building Regulations Act 103 of 1977 as amended through the following aspects plan submission, plan processing, referred plans, approved plans and archiving of original plans. The building control subsection is to ensure the built environment is according to the required standards as per building regulations. Any construction, amendments, renovations, demolitions of the site requires prior approval and monitoring on different levels for safe environment. Unauthorised buildings are the main challenge and debilitated, deteriorating buildings that pose danger to public/ communities.

Applications for Land Use Development										
Detail	Planning application received		Determination made in the year of receipt		Determination made in the following year		Applications Withdrawn		Applications outstanding at the year end	
	22-23	23-24	22-23	23-24	22-23	23-24	22-23	23-24	22-23	23-24
Subdivisions	2	3	0	1	0	0	0	0	2	2
Consolidations	1	2	0	1	0	0	0	0	1	1
Rezoning	3	2	1	1	0	0	0	0	2	1
Applications relating to land restrictions	1	0	1	0	0	0	0	0	0	0
Special consents	1	5	1	4	0	0	0	0	0	1
Other application must be mentioned	4	4	3	1	0	0	0	0	0	3

<b>Employees: Planning and Land use and Building control</b>					
<b>Level</b>	<b>2022/2023</b>	<b>2023/2024</b>			
	<b>Employees No</b>	<b>Posts No</b>	<b>Employees No</b>	<b>Vacancies</b>	<b>Vacancies % (As a % of total posts)</b>
0-3					
4-6					
7-9					
10-12	6	6	6	0	0%
13-16	1				
<b>Total</b>	6	6	6	0	0%

<b>Financial Performance Year 2023/2024: Planning and Land use, Building Control</b>					
<b>Details</b>	<b>2022-23</b>	<b>2023-2024</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjusted Budget</b>	<b>Actual</b>	<b>Variance to the Budget</b>
<b>Total Operational Revenue</b>	<b>(70,586.07)</b>	<b>(94,992.00)</b>	<b>(114,992.00)</b>	<b>(148,283.11)</b>	<b>33,291.11</b>
<b>Expenditure</b>					
Employees	2,114,001.13	2,628,012.00	2,369,860.00	2,335,657.11	34,202.89
Repairs and Maintenance			-	-	-
Other	1,269,181.76	2,561,784.00	2,320,396.00	1,992,209.04	328,186.96
<b>Total Operating Expenditure</b>	<b>3,383,182.89</b>	<b>5,189,796.00</b>	<b>4,690,256.00</b>	<b>4,327,866.15</b>	<b>362,389.85</b>
<b>Net Operational Expenditure</b>	<b>3,312,596.82</b>	<b>5,094,804.00</b>	<b>4,575,264.00</b>	<b>4,179,583.04</b>	<b>395,680.96</b>

## 11.2 Local Economic Development and Tourism

The Local Economic Development Section mandate is to facilitate the economic activities for the improvement as well as development of Winnie Madikizela Mandela economy as per chapter 5 of the National LED framework which stipulates that Government has a decisive and unapologetic role in shaping the economy of the country as well as regions. The following are the key economic drivers at Winnie Madikizela Mandela Local Municipality as per the LED strategy that was reviewed and adopted by Council in 2023.

1. Agricultural Development
2. Tourism
3. SMME development
4. Mining
5. Forestry & Ocean Economy
6. Wholesale and Retail
7. Manufacturing



## LED Strategy Implementation

An LED strategy is an overall plan that has short, medium or long-term aims and actions and sets out what is going to be achieved. It will establish an agenda to promote and develop a local community's economic, physical, social and environmental strengths and will address both challenges and opportunities at Winnie Madikizela Mandela Local Municipality. The LED strategy was reviewed and adopted in 2023 and is being implemented by the municipality. In executing the LED Strategy, the Planning & Development Department involved other key stakeholders in economic development, sector Departments and established key forums. Working with all business formations in Mbizana in the implementation of LED strategy to maximised value.

### Operating Documents

LED STRATEGY /SECTOR PLAN	STATUS /COMMENT
SMME AND COOPERATIVE PLAN	REVIEWED 2021
TOURISM PLAN	REVIEWED 2022
INFORMAL TRADING /STREET TRADING BY-LAW	REVIEWED 2022
AGRICULTURAL PLAN	REVIEWED 2023
LED STRATEGY	REVIEWED 2023
WHOLLESALE AND RETAIL PLAN	CURRENTLY UNDER REVIEW
OCEAN ECONOMY PLAN	CURRENTLY UNDER REVIEW

### LED Challenges hindering economic development

- Poor access to tourist and heritage sites
- Lack of product supply chain system to link producers to market
- Economic activities are dense in ward 01
- Law enforcement remains a challenge and the Municipality is losing revenue from Informal trading due to law enforcement.
- Limited resources are key challenges in Economic Development. This refers to the financial resources and skills to execute our bankable plans and do day to day business management.
- Land claims protract development in the area as in some areas there are financial resources allocated but the implementation cannot commence due to land claims.
- Poor Economic infrastructure is a challenge in the Municipality as it keeps investment at bay.

The above-mentioned challenges need to be taken into consideration as it may impact negatively in the broader economic development of the area. This is the cause for economic leakage to neighbouring municipalities and province.

### LED Successes

- The municipality have received a funding for Bricks & Blocks Manufacturing Hubs and in a process to finalise feasibility study
- The municipality has incubated 20 business SMMEs
- National Department of Tourism has completed designed for beach infrastructure development and has done signage for Amampondo Hiking trails.

- The municipality is in a process of building its boat launching site for local fisheries
- Boxer store is to build 50 hawker stalls with Bizana town.
- W&R seta to assist 34 retailers on entrepreneur's programme with training and start-up capital
- W&R seta to assist 50 informal traders with training and start-up capital
- Department of Arts and Culture has completed the construction of Khananda Hill Grave site and O. R. Tambo Garden of Remembrance and now they are in the process of finalising interpretative library.
- The municipality has incubated 20 business SMMEs
- DRDAR has completed one multi-purpose sheds in ward 14 and ward 18 it is still in process.
- NDT has commissioned a study for beach infrastructure development along our coastline and it is still in progress.
- Visitor Information Centre is well maintained and is well operating.

### List of LED supported Projects

Project Name	Activities	Ward & Village
Zanempilo Coop	Poultry	26 Nomlacu
Nzwaki trading	Poultry	20 Mamcakwini
R.S Sakhile Holdings PTY LTD	Poultry	6 Mhlanga
Amku project PTY LTD	Poultry	14 Ngojane

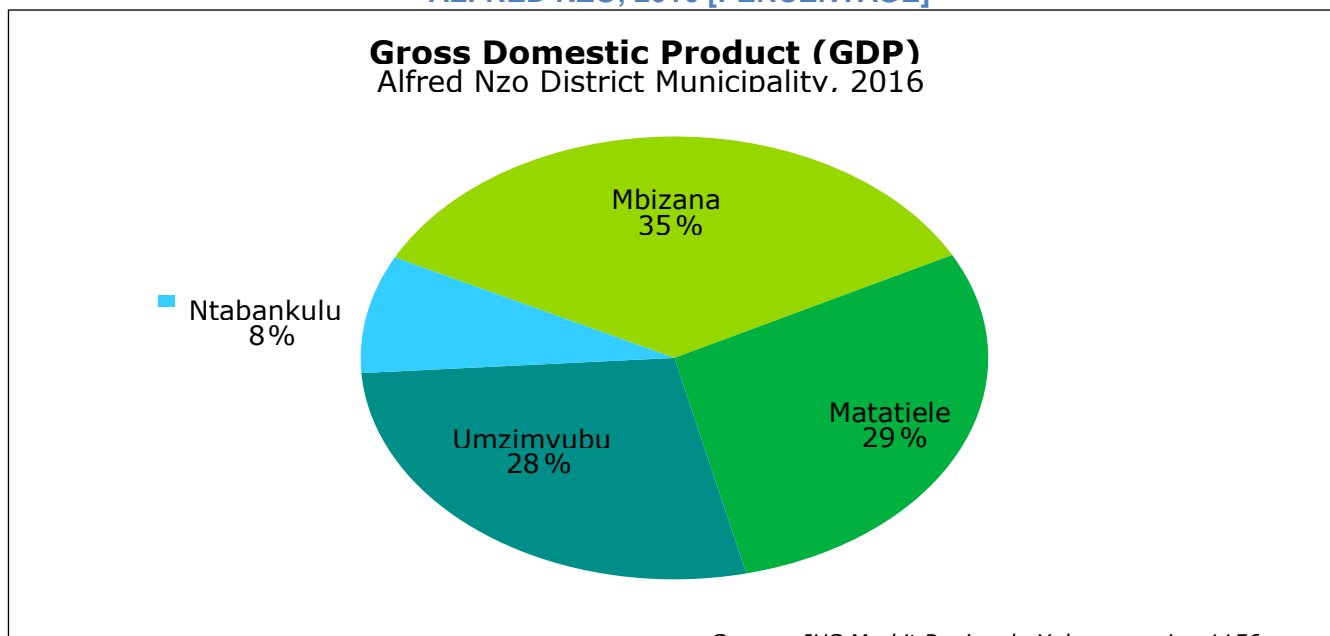
Project Name	Activities	Ward
SEG Cooperation Pty Ltd	Piggery	32 Nikhwe

Project Name	Activities	Ward
Amandlovana farming PTY LTD	Vegetable	27 Qungebe
Passover agricultural coop	Poultry and vegetables	31 Sizityaneni
Nkosi Sithembile primary Agri coop	Vegetables	12 Mzambana
Sothi Gqubusha	Vegetable	31 Sizityaneni
MAFUZA coop	vegetables	8 Dudumeni
Mzansi4sure trading PTY LTD	Agriculture	25 Phandulwazi
Thlumbuso NPC	Vegetables	19

Project Name	Activities	Ward
Phoko-phela Agri Farm	Vegetable production	20 Mamcakwini/Lindokuhle
Ndakeni coop	Vegetable production	8 Ndakeni

Ngomalebomvu coop	Poultry and vegetables	9 Mphetshwa
Kuyachuma trading coop	Poultry, piggery and vegetables	9 Mphetshwa
Amandla Kabawo	Yellow Maize	22 Lukholo
Picamart PTY LTD	Maize	11 Pele pele
Sinozinto Multi-Purpose Primary Coop	Maize Production	27 Qungebe
Mvelase civils & construction PTY LTD	Grain grower	27 Qungebe
Rich valley coop	Vegetables production	18 Mpunzi Drift
Masizame PTY LTD	Maize and vegetable	23 Seaview

### GROSS DOMESTIC PRODUCT (GDP) - MBIZANA LOCAL MUNICIPALITY AND THE REST OF ALFRED NZO, 2016 [PERCENTAGE]

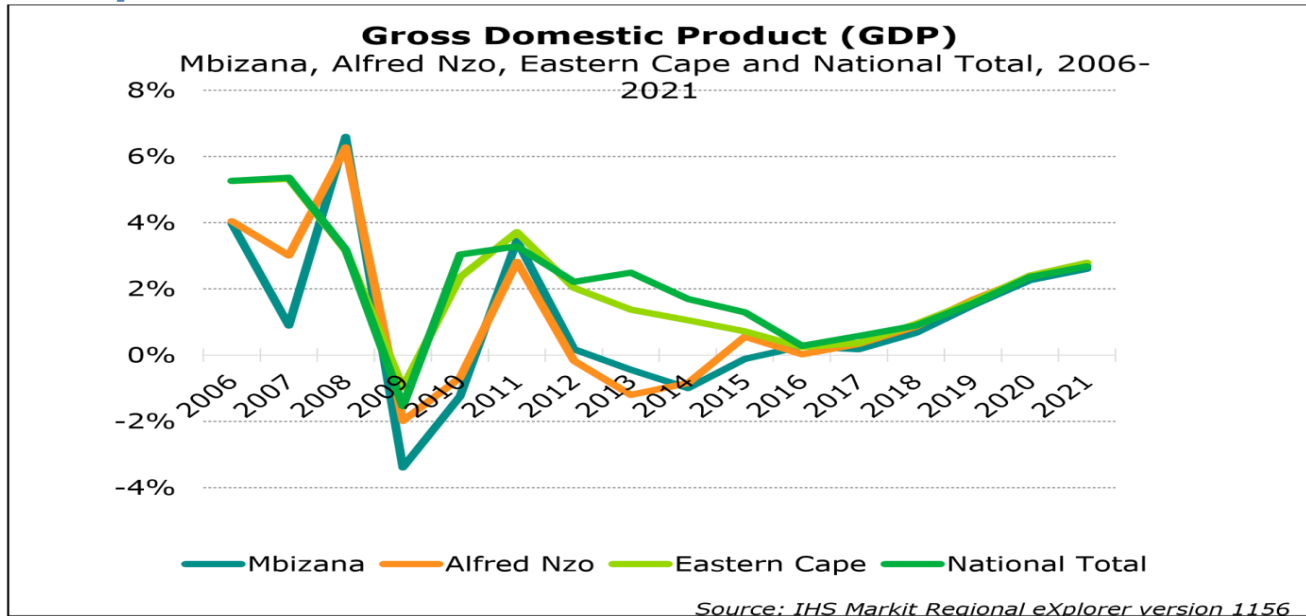


The Mbizana Local Municipality had a total GDP of R 4.31 billion and in terms of total contribution towards Alfred Nzo District Municipality the Mbizana Local Municipality ranked highest relative to all the regional economies to total Alfred Nzo District Municipality GDP. This ranking in terms of size compared to other regions of Mbizana remained the same since 2006. In terms of its share, it was in 2016 (34.8%) very similar compared to what it was in 2006 (34.8%). For the period 2006 to 2016, the average annual growth rate of 0.5% of Mbizana was the second relative to its peers in terms of growth in constant 2010 prices.

#### Economic Growth Forecast

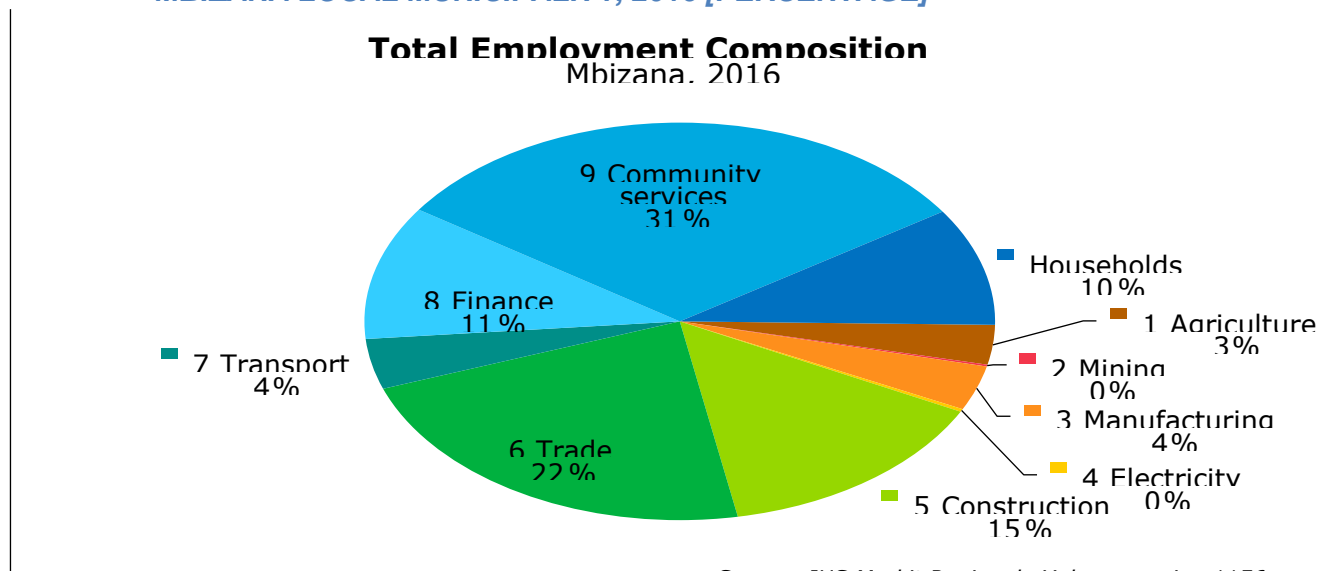
It is expected that Mbizana Local Municipality will grow at an average annual rate of 1.44% from 2016 to 2021. The average annual growth rate in the GDP of Alfred Nzo District Municipality and Eastern Cape Province is expected to be 1.58% and 1.62% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.61%, which is higher than that of the Mbizana Local Municipality.

**CHART 10. GROSS DOMESTIC PRODUCT (GDP) - MBIZANA, ALFRED NZO, EASTERN CAPE AND NATIONAL TOTAL, 2006-2021 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]**



In 2021, Mbizana's forecasted GDP will be an estimated R 3.13 billion (constant 2010 prices) or 34.5% of the total GDP of Alfred Nzo District Municipality. The ranking in terms of size of the Mbizana Local Municipality will remain the same between 2016 and 2021, with a contribution to the Alfred Nzo District Municipality GDP of 34.5% in 2021 compared to the 34.7% in 2016. At a 1.44% average annual GDP growth rate between 2016 and 2021, Mbizana ranked the second compared to the other regional economies.

**CHART 23. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MBIZANA LOCAL MUNICIPALITY, 2016 [PERCENTAGE]**



In Winnie Madikizela Mandela Local Municipality, the economic sectors that recorded the largest number of employments in 2016 were the community services sector with a total of 8 250 employed people or 31.2% of total employment in the local municipality. The trade sector with a total of 5 930 (22.4%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 40 (0.2%) is the sector that employs the least number of people in Winnie Madikizela Mandela Local Municipality, followed by the electricity sector with 60.9 (0.2%) people employed.

Jobs Created by LED Initiatives excluding EPWP				
Year (Top 3 Initiatives)	No of jobs created	Jobs lost/ displaced by other initiative	Net Total jobs created in a year	
2020/2021	46	0	46	
2022/2023	49	0	49	
2023/2024	0	0	0	

Jobs created by EPWP projects		
Year	No of EPWP projects	No of Jobs created
2020/2021	8	245
2022/2023	8	542
2023/2024		457

**Financial Performance Year 2023-2024: LED and Tourism**

Details	2022-23	2023-2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
<b>Total Operational Revenue</b>	<b>(1,564,333.80)</b>	<b>(19,992.00)</b>	<b>(9,187,817.00)</b>	<b>(2,554,649.43)</b>	<b>(6,633,167.57)</b>
<b>Expenditure</b>					
Employees	7,669,803.66	5,999,616.00	5,758,564.00	5,802,424.05	(43,860.05)
Repairs and Maintenance		-	-	-	-
Other	9,038,095.22	6,903,180.00	13,065,433.00	12,824,365.04	241,067.96
<b>Total Operating Expenditure</b>	<b>16,707,898.88</b>	<b>12,902,796.00</b>	<b>18,823,997.00</b>	<b>18,626,789.09</b>	<b>197,207.91</b>
<b>Net Operational Expenditure</b>	<b>15,143,565.08</b>	<b>12,882,804.00</b>	<b>9,636,180.00</b>	<b>16,072,139.66</b>	<b>(6,435,959.66)</b>

<b>Employees: Local Economic Development and Tourism</b>					
Level	2022-23	2023-2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	C0197 C0198	2	C0197 C0198	2	
4-6	A0365	1	A0365	1	
7-9	0	0		0	
10-12	A0416 A0123 A0332 A0217 A0417 A0254 A0124	7	A0416 A0123 A0332 A0217 A0417 A0254 A0124	7	
13-16	A0340		A0340	1	
<b>Total</b>	11	11	11	11	

**Capital Expenditure Year 2023-2024: Local economic Development**

Capital Projects	2023-2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Construction of Manufacturing hub Ward 08	-	1,139,815.00			
Construction of Manufacturing Hub Ward 16	-	1,139,815.00			
Beach Infrastructure: Development Facilities	637,296.00	289,471.00	129,875.00		
Construction of Manufacturing hubs	-	1,139,815.00			
Construction of Market Place	1,739,124.00	4,033,479.00	585,015.68		

**12. COMPONENT D: COMMUNITY AND SOCIAL SERVICES**

**12.1 Libraries**

Winnie Madikizela Mandela Local Municipality has 4 functional libraries: Mbizana Public Library situated next to Multi-Purpose Youth Centre (Ward 1), Nkantolo Public Library a modular placed at Kantolo JSS at ward 27, Monwabisi Mfingwana Public Library also a modular placed next to Dudumeni Community Hall in Ward 08, Ebenezer Public Library moved to Wild Coast Sun former UNISA premises and fully functional. Wild Coast Sun built the library for Ward 24 communities and surrounding wards next to Nobukhwe Gwala Community Hall in Ward 24. DSRAC has given all 4 libraries with free Wi-fi and E-Books service. 1 MOA was signed between WMMLM and DSRAC for grant. We did 9 library awareness campaigns, supply and delivered 3183 periodicals to all our libraries and maintained 5 Libraries (Monwabisi, Mbizana, Mbhongweni, Nkantolo and Ebenezer) and equipped 1 Library (Ebenezer)

**Duties of the Municipality**

To utilise the funding in accordance with the business plan. In accordance with the objectives as set out in this Agreement and not for any other objectives not stipulated herein. To submit reports to the department on or before the dates stipulated in the agreement.

**Duties of DSRAC**

Subject to clause of the agreement, effect transfer of the allocated amount to the Municipality, subject to the satisfactory fulfilment of the terms and conditions as set out in the agreement. Ensure the Municipality utilises the funding in accordance with Business plan.

**Library awareness campaigns conducted**

Conducted 09 Library Awareness Campaigns: 08 September 2023 at Cedarville Umzingisi Community Hall, 14 September at Nobukhwe Gwala Community Hall, 08 December 2023 at Mbizana Community Park, 11 December 23 at Mbizana Public Library, 7 February 2024 at St



Patrick's SPS, 23 February 2024 at Mbizana Public Library, 5 March 2024 at Methodist Church Hall, 11 April 2024 at Zamokuhle Special School, 24 May 2024 at Mbizana Public Library



## 12.2 Community Facilities

### Municipal public facilities and how they are managed and booked.

Winnie Madikizela Mandela LM operated, maintained and equipped 38 Municipal public facilities. The municipality is using approved tariffs for bookings of these municipal public facilities and a service provider for minor maintenance. These Municipal facilities are maintained through cleaning, grass cutting & operated through bookings by EPWP personnel. The municipality has fenced 2 community halls in Ward 08 and Ward 07 in order to secure safe keeping of municipal halls. 1 Paved and landscaped public facility in ward 04.

The municipality continues to maintain and operate all recreational facilities and this is possible with cooperative assistance from established Hall Management Committees.

### Hall Management Responsibilities.

- To ensure proper management of the halls.
- Receiving and consider requests from community and stakeholders for the use of Municipal Facilities; responding and/or recommending requests.



- To ensure general routine maintenance of halls.

### Recreational Policy

The municipality has adopted and reviewed Recreational policy. Legislatives mandates which govern recreational facilities.



### 12.3 Cemeteries

Winnie Madikizela Mandela Local Municipality has 1 Cemetery in Ward 1 (EXT1), it is the only municipal cemetery in Mbizana. General cleansing in and out and supplied and installed 500 grave numbering. Cemeteries have been an important part of our culture and society, as such, it's of high importance that they are regularly maintained and are of high standard. The following was done within the cemetery (financial year 2023/2024).

Burial = 18

Reservation = 02

Exhumation = 0

The future plans therefore, include a construction of a chapel as well as doing crematoria which will assist in the issue of land availability.

### Challenges

Each year an absolute increase in population has peaked, this therefore has led to high demand of people requiring land for burial. The major challenge when it comes to cemetery has been the availability of land for perhaps an extension of cemetery.



## Aquatic Safety

Mbizana is categorised into inland and coastal areas and it has five public beaches namely; Mtentu, Kwanyana, Mzamba, Skhombe and Sfebeni, waste collection within the coastal Belt is managed through EPWP. The team focuses on waste collection and removal of invasive alien plant species along the coast. Invasive alien plants can transform ecosystems structure and ecosystem functioning and thus it's of high importance to identify and remove alien species. Checking water quality has also been prioritised by the municipality, this is done so as to ensure aquatic species' safety and most importantly to ensure that municipal beaches meet the Blue Flag standard.

In order to qualify for the Blue Flag, a number of stringent environmental, education, safety and accessibility criteria must be met and maintained. Bizana is currently prioritizing two beaches for Blue Flag status, namely; Mtentu Beach and Mzamba Beach. At the moment, the two beaches are on Pilot Blue Flag. Beach signboards are installed in both beaches, and water sampling are being taken seasonal as part of the process of meeting the status of Blue Flag. Environmental awareness programmes are also conducted in coastal wards during the environmental days such as the International beach clean-up.



## 12.4 Special Programmes

Special Programmes Unit was able to achieve all thirty- one targets set in the Service delivery and budget implementation plan for the 2023-2024 financial year. Lobbying and advocating for mainstreaming of special groups (Children, People with disability, Elderly, Women, Men

and Youth) into all internal and sector departments programmes was the main focus of the unit. All them are functional and working well with the municipality. The municipality has also been visible in most programmes for the elderly from games to support to elderly centres also campaigns aiming at decreasing violence against elderly persons. Special Programmes were conducted as follows:

### **Youth Programmes**

- Support of functioning of SAYC was held at Estuary Hotel on the 29-30 January 2024.
- Initiation awareness campaign was held at Hewu Traditional Council on the 13 September 2023.
- Initiation Support: Traditional Male Circumcision Workshop was held at youth centre on the 01 November 2023.
- Young entrepreneur development program was held on the 29 -01 November 2023.
- Career Exhibition was conducted from the 19-22 February 2024 at Wild Coast Sun.
- Mayors Schools Achievement Awards were conducted on the 21 June 2024 at Oliver and Adelaide Reginal Hospital.
- Initiation Awareness was conducted on the 13 September 2023 at Hewu Traditional Council
- Youth Month Activities were conducted: Induction of Youth Council at Lunganakho Boutique Hotel on the 6 - 7 June 2024.
- Youth month celebration was conducted on 6-7 June 2024 at Lunganako Boutique Hotel.
- Mayors Schools Achievement Awards was conducted on the 21 June 2024 at Oliver Reginald Regional Hospital
- Initiation Support was conducted on 21 December 2023.

### **Children**

- Inkciyo monthly stipend was paid to 33 Inkciyo inspectors (for the whole year, Accounts to 4 targets)
- Inkciyo support was conducted at Matshona village, Ntabankulu on 09-10 September 2023.
- Support to child headed household of vouchers was conducted on the 8<sup>th</sup> March 2024 at council chamber.
- Inkciyo end year function was conducted on the 01-02 December 2023 at Kwajali Location Ward 06.
- Handing over of 20 school uniform per school as back to school campaign at Ntlavukazi SPS on the 25<sup>th</sup> march 2024, Mtamvuna SPS and Ntlozelo SPS on the 26<sup>th</sup> march 2024.
- Support to 3 Early Childhood Development Centres: ward 10 (Licebo Pre-school), ward 21 (Ayakha Memorial Children) was on the 7<sup>th</sup> June 2024, ward 3 (Ludeke Pre-school) on the 25<sup>th</sup> April 2024

### **Elderly**

- Support of Elderly centres: handing over of soup kitchen equipment and grocery at Amantshangase development council on the 29<sup>th</sup> February 2024.
- Elderly wellness campaign was conducted at ward 01 on the 21<sup>st</sup> December 2023.
- Support of Elderly centres: handing over of sewing material kit was conducted at Mthayise old age home on the 2<sup>nd</sup> November 2023, Mhlabeni older persons centre and Mgcinephila old persons project on the 31<sup>st</sup> October 2023

### **People with Disability**

- PWD support for Masakhane, Ikhaya Lembizana and Mzuvukile disable centres was handed over on 25 October 2023.
- Disability month was conducted at Sinawe Guest house on 12 December 2023.

- Support functioning of PWD: Handing over of 120 chicks and feed to Ntsokolweni Cooperative was conducted on 27 March 2024.
- Support functioning of PWD Forum was done at Mzuvukile disable centre by handing over diapers and grocery on the 28 May 2024.

### Gender

- Women's month celebration was held at Ward 20 Mangqofoza on the 30<sup>th</sup> August 2023.
- Revival of Men's Forum was held at Sada Boutique hotel on the 18-19 October 2023.
- Support functioning of men's forum: Imbizo yamadoda was held at Faith Mission ward 23 on the 8-9 September 2023.
- 16 days of activism against Women Abuse was conducted on 24<sup>th</sup> November 2023 stakeholder's engagement was held on the 30<sup>th</sup> November 2023, Main event was held on the 7<sup>th</sup> December 2023 at Ludeke ward 04.
- Support functioning of men's forum: handing over of sewing material izishweshwe and sewing needles has been conducted on the 26 march 2024
- LGBTQ+ Summit was conducted at Sada Boutique hotel on 14 June 2024.

### Communicable Diseases

On Communicable Diseases the office of the Mayor champions the programme and are discussed at standing committee before they are approved and implemented by Local AIDS council.

#### Awareness for Traditional Health Practitioner.

- One Awareness programme for Traditional Health Practitioner was conducted on the 29<sup>th</sup> August 2023 for the Traditional Health Practitioners in ward 6 at kwaJali (Tsawana Hall) where we educated about +-152 people and also elected the forum that will lead the kwaJali THP's when there are cases that develop in the Community. In this Awareness programme we were collaborating with different stakeholders.



- Second Awareness for Traditional Health Practitioners conducted at ward 16, One- Stop (Kwa Madiba) on the 31<sup>st</sup> of August 2023 where we interact with +\_151 people and elected a Forum that will lead ward 16 in Community issues.



These Awareness campaigns were conducted in order to link the Western Medicine and African Medicine to understand their operations, also to limit the Youth that leave the school and went for initiation process of THP's. To motivate THPs to be registered in their Council to limit the false Traditional Health Practitioners that destroy pregnant Teenagers by aborting them and violating their human parts. To limit the Gender Based Violence in the THP's Initiation School.

### **Awareness Campaigns conducted in community**

- One Awareness Campaign was conducted at Ntlozelo Location on the 12<sup>th</sup> of August 2023 to motivate the parents and the youth with Promotional Material.



Second Awareness Campaign was also conducted in the community on the 11<sup>th</sup> October 2023 at Mngungu Location ward 28. There were also service-on-wheels and focusing on the Youth and Adults. Municipality assisted the community with different fruit packs.

**Challenges** - Youth and Adult who have no Identity Documents, high teenage pregnancy, gender-based.

**Intervention** - HIV Office organised the truck from Home Affairs in order to assist those who have no IDs, Education in sexual reproductive health was conducted to the youth and adults. Provide them with promotional material to motivate them

### **Assisted the Mngungu Students to have ID's**



### **Awareness Campaign conducted in schools**

- First Awareness Campaign was conducted at Dudumeni Senior Secondary School on the 12th of February 2024 and Mpheni Senior Secondary on the 13th of February 2024.



Second Awareness Campaign was conducted at Mpheni Senior Secondary on the 13th of February 2024 and the Students motivated with Promotional Material.

### Follow-up Programmes

The follow-up was done on the 14<sup>th</sup> May 2024. The findings were that, the Traditional Health Practitioners behaviour is changed in a positive way where they understand how to collaborate with department of Health.

They also understand the importance of their clients to take chronic treatment.

In the Community there is no report of Gender Based Violent and all is still look good.

The Councillor still need more Awareness's as they have scattered villages and there are other Traditional Health Practitioners in those villages that need to get these programmes.

### Awareness Campaign at Ward 16 (kwa Madiba) for THP's

- They appreciated our programmes and suggested that these programmes can be in different villages as Ward 16 has different villages.
- There is also change in the THP as there is no report of children that are taken out of school for Initiation process (ukuthwasa) after they were educated.
- There is also a change of being clean even inside of their consultation houses as before.
- No report of defaulters of THP's as they were educated to take their treatment even if they are Traditional Health Practitioners.
- They also understand that when their clients are serious sick to the point of becoming week, they have to refer them to the Clinic or Hospital in order to get a drip and other special attention like ex-rays.

### Awareness Campaign at Ntlozelo Community.

- The Community have a big change as there are reports that there are people who were the victims of Gender Based Violent who become brave enough to quit in their relationships after the Awareness.
- The rate of teenage pregnancy in that community is dropped down after the Campaign.

- The Traditional Leader also appreciating the Programme as they can sleep at night without a report of a man beating his wife as the Law will take an Action against him.
- People are motivated in knowing their status no one is afraid to take their treatment when necessary.
- The consumption of alcohol has been reduced which is usually be one of main causes of spreading and escalating to be the cause
- They were suggesting to have another Campaigns as their community is having many villages.

### 1. Awareness Campaign at Mngungu Community.

- They appreciated our Awareness as they said it brought a lot of change in their Community as these programmes were not usually comes to them as they were from far Rural.
- They said after we were there promising to organise Home Affairs for their children who were not having Identity Documents but now every Matriculation Student is having their ID's now as we promised them.
- People are well educated about not defaulting and the importance of visiting their Clinics to take their Treatment.

### 2. Awareness Campaign at Zwelonke Senior Secondary School (Dudumeni).

- Programmes that was conducted were as follows:

- Teenage Pregnancy.
- Gender Based Violence
- Bullism.
- HIV/AIDS Prevention
- Drug abuse

- They reported that, after conducting an awareness to the students their behaviour was changed. They did not get any complain from the students and also stopped singing the songs of circumcision place.
- There are no more reports of substance abuse in students.
- The teenage pregnancy is still high as there were others that were already pregnant when we were there and were still hidden.

### 3. Awareness Campaign at Mpheni Senior Secondary School.

- Programmes that was conducted were as follows:

- Teenage Pregnancy.
- Substance Abuse
- Bullism
- HIV/AIDS Prevention

- They reported that the teenage pregnancy is still high and they need a different strategy to fight this. They said they will appreciate more campaigns from us with collaborating with other stakeholders.
- As the students were requested for Service on Wheel, then the teachers said they are bounded by the school policy as the students were not allowed to be serviced by health wearing their school uniform.
- In the drugs part they said they need more intervention as the students were already taking drugs strong before we were there.
- In bullism, the students stopped bullying those who were not yet went for circumcision and stopping them on using same toilets with them.

**CONCLUSION:** These Programmes plays a vital role to change our Community life-style and their behavioural change.

### 2 Support Groups visited.



On the 24<sup>th</sup> July 2023 we visited Sizophila Support Group in order to give a support to our NGO's and also to see if they are still effective.

### Sizophila Support Group



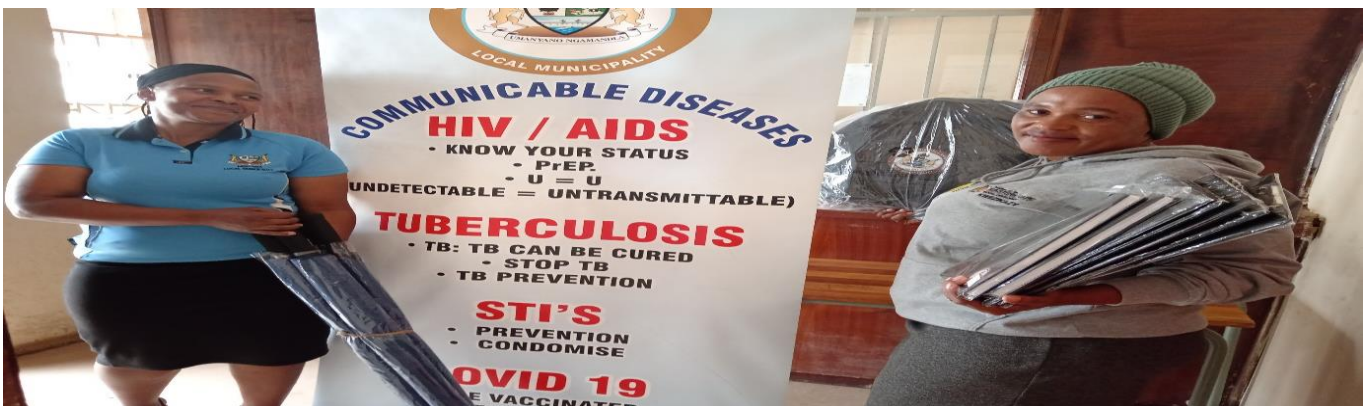
On the 26<sup>th</sup> July 2023 we visited Sinokhanyo Support Group to give support and also check their effectiveness.

### Annexure – Sinokhanyo Support Group

#### 2 Support Group supported.

2 Support Groups Supported after visiting them, which were Sinokhanyo Home Based Care on the 27<sup>th</sup> March 2024 and Sizophila Support and Child Health Forum with Branded Umbrellas; Branded bags; Branded Note Books and Clip Boards to assist them when they are conducting Door-To-Door in the Communities. The one that supported is the one that was visited as they ask for an assistance from the Office the time of visit.

### ANNEXURE – SINOKHANYO SUPPORT GROUP



### Annexure – Sizophila Support Group





- **2 Education programmes conducted in support groups.**

- 2x Education Programmes conducted at Nomagqwathekane Com.Tech for Qhakaza Kukhanye Support Group on the 24th April 2024 and at OR Tambo and Oliver Regional Hospital Hall for Key ready on the 08th May 2024. Key ready was supported with lunch packs for the Community.

- **Supply and delivery of Health Care Kits to 4x NGO's.**

- Health Care Kits was delivered to 4 x NGO's which were Sinosizo Support Group, Linako Home Based Care, Joseph Ndisile Foundation and Nolufefe Community Centre on the 14 February 2024, handed over by Hon. Cllr Mayor at Council Chamber in order to support and assist those who have no one to look after, those who are bedridden them.

- **Conduct HIV/AIDS Candle Light**

- HIV/AIDS Candlelight Memorial Service was conducted at Ward 2 Mbuthweni Hall on the 22nd May 2024 to support People Living with HIV (PLWHIV) and to remember those who passed away because of HIV/AIDS.

**Annexure – Mbuthweni Community (Ward 2)**



**Local AIDS Council conducted**

- 1x Local AIDS Council was supposed to be conducted on the 3rd of August but it rescheduled and conducted on the 15th of August 2023 at Council Chamber. 2. Local AIDS Council Meeting was conducted on the 10th November 2023 and also the handover of the certificates by Hon.Cllr Mayor. 3. Local AIDS Council was conducted on the 14th of February 2024. 4. 1 Local AIDS Council was conducted on the 30th April 2024 at Council Chamber. The Local AIDS Council is a structure that was set to coordinate, implement and monitor programmes relating to HIV/AIDS in our area of jurisdiction.



- **Extras for Communities**

- Supported two people living with disability at ward 15 (Kwakhanyayo) by assisting them to get wheelchairs.
- Collaborating with the NGOs (Nolufefe Foundation and Department of Health).





- Capacitating NGOs and Traditional health practitioners NGO'S, CBO'S AND NPO'S



HON. Mayor handing over over certificates





## 13. COMPONENT E: ENVIRONMENTAL MANAGEMENT AND SIGNAGE CONTROL

### 13.1 Pollution control, Biodiversity, Landscape and Coastal Protection

The Alfred Nzo District Municipality (ANDM) is located in the Eastern Cape Province. The Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) is the lead agent for environmental management in the Eastern Cape Province, and subsequently for air quality management in the province. The DEDEAT forms part of the provincial government's initiative to spearhead economic growth in the region. The goal being "Innovation for Sustainable Development", with a mission to "Lead economic development and environmental management in the Eastern Cape" (DEDEAT, 2013).

Air quality plan is implemented by ANDM, however, WMMLM plans to develop its own Air Management Plan.

#### Public comfort facilities

The municipality comprises of 52 municipal facilities which includes; Community park, heritage sites, community halls, Community park is designed for recreational purposes such as picnics, sport facility, events and also, has children accommodation zone. The municipality comprises of 5 heritage sites namely; O.R Tambo Cultural Village, O.R Tambo garden of remembrance, Winnie Madikizela-Mandela Heritage Site, Ndlovu Heritage Site and Khananda Heritage Site. These heritage sites pride with greening & landscaping and also serves as tourist attraction areas. Grass cutting is done when required within Bizana town and it's also done in the above-mentioned public comfort facilities.2

#### Nurseries

Currently, Bizana has two nurseries namely; uMthamvuna nursery and Cultural Village nursery located in Ward 18 and Ward 1. They are maintained through utilising EPWP team; these nurseries comprise of medicinal plants (See images below showing nurseries).



#### Conducting of Environmental Management Campaigns

One of the targets on the approved SDBIP is to conduct 8 environmental awareness campaigns within Bizana and environmental clubs have been introduced in various schools.

#### Conducted 9 Environmental Awareness campaigns.

- On the 7 September 2023 at Wetland Park.
- On the 19 September 2023 at ThembaMzize SPS.
- On the 27 September 2023 at Cultural Village
- On the 1 November 2023 at Buttvile SPS.
- On the 21 November 2023 at Mdatya SPS & Thuba SPS.
- On the 5-8 February 2024 at Mzamba, Mnyameni & Mtentu Beach.
- On the 15th Of March 2024 at Wild Coast Sun.
- On the 5th of June 2024 at Wild Coast Sun Ward
- On the 6th of June 2024 at Wild Coast Sun.

*(See figures below showing environmental awareness campaigns undertaken in various areas within Bizana).*



**Financial Performance Year 2023-2024: Environmental Management and Biodiversity**



Details	2022-23	2023-2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
<b>Total Operational Revenue</b>	-	-	-	-	-
<b>Expenditure</b>					
Employees	1,690,643.39	1,747,584.00	1,846,293.22	1,786,640.00	59,653.22
Repairs and Maintenance					-
Other	545,781.72	762,180.00	957,124.00	694,100.29	263,023.71
<b>Total Operating Expenditure</b>	<b>2,236,425.11</b>	<b>2,509,764.00</b>	<b>2,803,417.22</b>	<b>2,480,740.29</b>	<b>322,676.93</b>
<b>Net Operational Expenditure</b>	<b>2,236,425.11</b>	<b>2,509,764.00</b>	<b>2,803,417.22</b>	<b>2,480,740.29</b>	<b>322,676.93</b>

<b>Employees: Environmental Management and Biodiversity</b>					
Level	2023-2024				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3					
4-6					
7-9	A0253	01	01	0	0%
10-12	A0376	01	01	0	0%
13-16	A0156	01	01	0	0%
<b>Total</b>	<b>03</b>	<b>03</b>	<b>03</b>	<b>0</b>	<b>0%</b>

## 14. COMPONENT F: SAFETY AND SECURITY

### 14.1 Fire Management

Fire and Rescue services are conducted by ANDM, operating a Satellite centre. There is no signed (MOU) memorandum of understanding, the ANDM is currently working on it and Fire Prevention Plan & Fire Tariffs and By-Law's where in jointly Fire tariffs will be determined and implemented. Community.

The municipality is planning to develop Fire Risk Assessment in order to develop Fire Protection Plan and tap into opportunities for funding projects like working on fire.

### Objectives of working on fire

- Is intended for protection of natural vegetation;
- To create a community upliftment programme that will employ people especially the disadvantaged groups e.g. Women and Youth.
- To secure livelihoods and sustainable environment;
- To promote environmental strategies in minimizing veld fires through fire and life safety awareness and education campaigns;
- To provide trainings in different skills.

## 14.2 Protection Services

Protection Services is subdivided into five sections that is; Traffic law enforcement, driving licence testing Centre, Registering Authority, Security Services and Pound.

### Traffic Section

This section serves to ensure roadworthiness of public transport, the enforcement of Bylaws, Safety of road users, minimise carnages of road accident, to create free flow of traffic and encourage voluntary compliance to the Legislation (N.R.T.A 93/96).

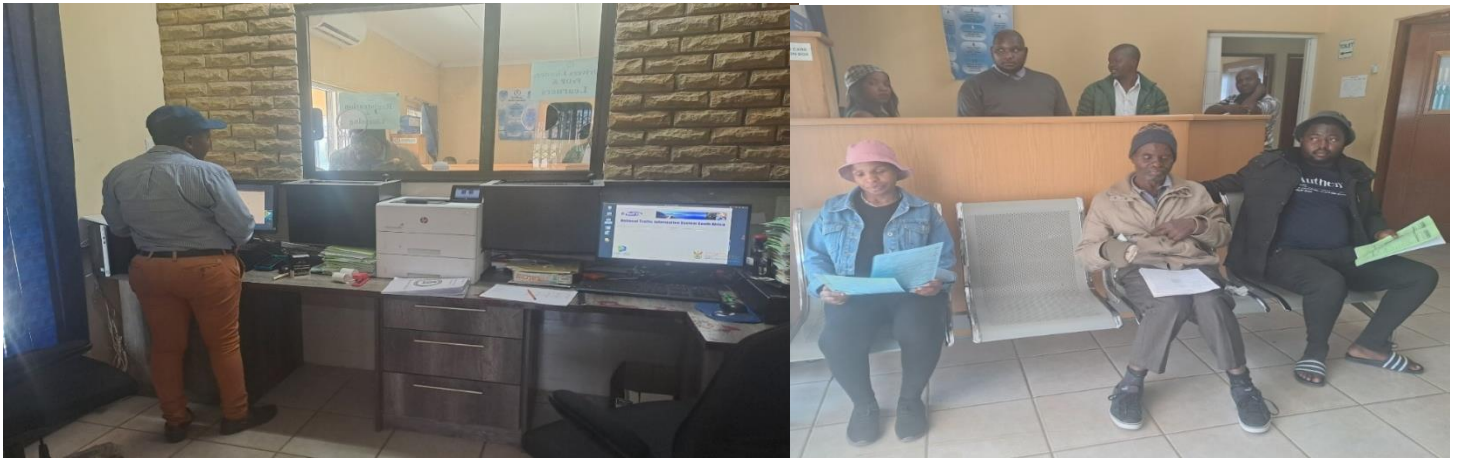
Traffic subsection has seven (7) traffic officers, seven (7) traffic wardens to ensure compliance to N.R.T.A and By Laws. Both traffic officers and wardens are supervised by one Superintendent.



### Driving License Testing Centre

Winnie Madikizela Local Municipality entered into a memorandum of understanding with Department of Transport thereby signing a valid service level agreement which is based on total revenue collection from the Registering Authority. Department of Transport sets terms on the collection of revenue which stipulates well that the Department will supply prescribed Stationery such as; face value documents and provision of eNatis computers also mentioning dividends from the collection of licence fees where 19% goes to the Institution (WMM Local Municipality) and 81% to the Department of Transport.

The Registering Authority works effectively and efficiently with DLTC staff who work tirelessly at different levels producing good output.



It serves the purpose to renew m/vehicle licences and registration of motor vehicles.

DLTC Data		
Details	2022-2023	2023-2024
	Actuals	Actuals
Total Number of learner's licences processed	3546	3338
Total Number of driver's licences processed	6113	6893
Average turnaround time –learner's licence	2weeks	2weeks
Average turnaround time –Drivers-licence	3weeks	3weeks

Employees: DLTC					
Level	2023-2024				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3					
4-6	3	5	3	2	
7-9	1				
10-12	3	5	3	2	
13-16					
<b>Total</b>	<b>7</b>	<b>10</b>	<b>6</b>	<b>4</b>	

**Capital Expenditure Year 2023-24: DLTC(Police)**



2023-2024					
Capital Projects	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Furniture Police	-	304,963.69	129,130.00		
Traffic light	-	738,516.31	738,516.31		
Traffic Vehicles	-	1,500,000.00	1,388,544.80		

Financial Performance Year 2023-2024: DLTC(Police)					
Details	2022-2023	2023-2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
<b>Total Operational Revenue</b>	<b>(4,698,712.98)</b>	<b>(3,943,392.00)</b>	<b>(4,091,392.00)</b>	<b>(4,634,931.90)</b>	<b>543,539.90</b>
<b>Expenditure</b>					
Employees	10,024,575.09	11,147,184.00	11,999,614.86	11,231,304.00	768,310.86
Repairs and Maintenance	556,658.33	1,308,396.00	1,748,396.00	1,627,815.77	120,580.23
Other	2,580,065.92	3,023,580.00	3,639,365.00	2,881,143.43	758,221.57
<b>Total Operating Expenditure</b>	<b>13,161,299.34</b>	<b>15,479,160.00</b>	<b>17,387,375.86</b>	<b>15,740,263.20</b>	<b>1,647,112.66</b>
<b>Net Operational Expenditure</b>	<b>8,462,586.36</b>	<b>11,535,768.00</b>	<b>13,295,983.86</b>	<b>11,105,331.30</b>	<b>2,190,652.56</b>

## Registration Authority

The Registering Authority rests with the responsibility of Registration and licensing of motor vehicles, issuing of both temporal & special permits and also motor trade numbers. This body (RA) is monitored by the Department of Transport (DOT) whereas employment of staff to ensure that service delivery is in smooth running to Mbizana Communities is the responsibility of Winnie Madikizela Mandela Local Municipality.

## Background of the Registering Authority

The Registering Authority rests with the responsibility of Registration and licensing of motor vehicles, issuing of both temporal & special permits and also motor trade numbers. This body (RA) is monitored by the Department of Transport (DOT) whereas employment of staff to ensure that service delivery is in smooth running to Mbizana Communities is the responsibility of Winnie Madikizela Mandela Local Municipality.

Registering Authority Data		
Details	2022-2023	2023-2024
		Actuals

Total amount collected for Department of Transport (DOT)	R 4 896 035.19	R 6245830,75
Total amount collected for the Municipality	R 2201 397.06	R1 432 665,57
Total for registration and penalties	R 2 408 374.77	R 2 210 584,36
Total for transaction fees (RTMC)	R 458 640.00	R555 336. 00

### Registering Authority’s Performance and Accessibility

The Authority is rendering a very good service, and it is more and easily accessible to customers.

### Activities Conducted at Registering Authority

- Registration of all types of motor vehicles
- Licensing of motor vehicles
- Notices of change of ownerships
- Handling all motor vehicles queries
- Issuing of temporal and special permits
- Issuing of motor trade numbers
- Attending to deregistration reasons whether it’s because of theft or any other reasons
- Applications for documentations
- Filing and any other issues related to motor vehicles
- Issuing of forms for all transactions

### Security

Winnie Madikizela Mandela Local Municipality has fifteen sites that should be taken care of amongst others is the institution (Winnie Madikizela Mandela Local Municipality) with all the resources and assets. The Institution permanently employed 20 Security Officers working from Monday to Friday, covering mornings and afternoons with two Security Supervisors who are monitoring security personnel. Weekends and public holidays as well as night duties are covered by private security services. This subsection further has a VIP protection unit with three fulltime officers. The main objective for this section is to secure all Municipal key points, Assets, Resources, staff and the VIP unit as indicated is attached to the principals in terms of security to create safe working environment.

### Challenges

- . Only four (4) municipal sites have security guard rooms out of 15 all municipal site.
- . One security officer has been medical aborted due to sickness and that causes a shortage in the security personnel.
- . One VIP officers was involved in an accident and got paralysed. This VIP officers no longer works as a VIP.



Traffic Police Service data				
Details	2022/2023		2023/2024	
	Actual Number	Estimated Number	Actual Number	Number Estimated
Number of road traffic accidents during the year	582	482	640	580
Number of by-law infringements attended	420	360	405	355
Number of traffic officers on the field on an average day	13	14	14	14
Number of officers on duty on an average day	13	14	14	14

Employees: Protection Services including security services					
Level	2023-2024		2024-2025		
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts
0-3	2	2	2	0	
4-6	24	24	24	0	
7-9	10	10	10	0	
10-12	17	17	17	0	
13-16	1	1	1	0	
<b>Total</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>0</b>	

Financial Performance Year 2023-2024 Protection Services					
Details	2022-23	2023-2024			
	Actual	Original Budget	Adjusted Budget	Actual	Variance to the Budget
<b>Total Operational Revenue</b>		<b>(49,992.00)</b>	<b>(49,992.00)</b>	<b>(30,710.00)</b>	<b>(19,282.00)</b>
<b>Expenditure</b>					
Employees	7,939,421.02	8,132,652.00	8,934,598.00	8,409,459.18	525,138.82
Repairs and Maintenance	156,522.00	156,000.00	156,000.00	153,755.00	2,245.00
Other	11,696,421.60	12,273,504.00	12,577,748.00	11,599,664.86	978,083.14
<b>Total Operating Expenditure</b>	<b>19,792,364.62</b>	<b>20,562,156.00</b>	<b>21,668,346.00</b>	<b>20,162,879.04</b>	<b>1,505,466.96</b>
<b>Net Operational Expenditure</b>	<b>19,792,364.62</b>	<b>20,512,164.00</b>	<b>21,618,354.00</b>	<b>20,132,169.04</b>	<b>1,486,184.96</b>

Capital Expenditure Year 2023-2024: Protection Services (Licensing and Security)					
Capital Projects	2023-2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Security Equipment 2505	173,904.00	173,904.00	170,000.00		
CCTV Cameras	173,904.00	-			

## Pound

Winnie Madikizela Mandela Local Municipality has established a pound situated in Highland View which is fully operational. The pound aims at implementing the legal processes of impounding stray and trespassing animals within the CBD, public roads, and private properties within WMM Local Municipality jurisdiction thus fostering to communities a sense of responsibility for their livestock and also enforcing municipal bylaws.

### Background

WMM Local Municipality has established a Pound situated in Highland View which is fully operational. The pound aims at implementing the legal processes of impounding stray and trespassing animals within the CBD, public roads, and private properties within WMM Local Municipality jurisdiction thus fostering to communities a sense of responsibility for their livestock and also enforcing municipal bylaws.

## Activities

The activities that are presently conducted at Winnie Madikizela Mandela Pound is the collection and keeping of stray and trespassing animals within the CBD and Mbizana communities. At the moment only Large and small stock that is catered for, no domestic animals.



Pound: Data		
Details	2022-23	2023-24
	Actuals	Actuals
Total number of animals impounded	344	458

Employees: Pound					
Level	2023-24				
	Employees No	Posts No	Employees No	Vacancies	Vacancies % (As a % of total posts)
0-3	2	2	2	0	
4-6					
7-9					
10-12	1	1	1	0	
13-16					
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	

Capital Expenditure Year 2023-24: POUND					
Capital Projects	2023-2024				
	Budget	Adjusted Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
Pound Equipment	0	0	0	0	0

## 15. COMPONENT G: SPORT AND RECREATION

### Sport Development

There were no sporting activities undertaken during the 2023/2024 financial year.

## 16. COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 16.1 Executive Council

Council was functioning with 61 councillors both ward and proportional representatives as well as 12 traditional leaders elected from traditional councils and was fully functional and stable. All the members of the council serve in different standing committees with each standing committee headed by portfolio head. A schedule of meeting was developed and adopted by council for the optimal functioning of all council committees. The mayor heads the executive committee that has 09 members including her. Four members are full time and five are part time. The office of the Municipal manager as a department has seven units all head by a manager reporting to municipal manager. The mandates of the department include IDP and PMS, Internal Audit, Legal services, communications, IGR and customer care, public participation and council support and special programmes. The office of the municipal manager is also responsible for the administration support to all the offices of the political office bearers.

Employees: Office of the Municipal Manager Including SPU					
Level	2022-2023	2023-2024			
	Employees No	Posts No	Employees No	Vacancies	Vacancies %(As a %of total posts)
0-3	0	0	0	0	
4-6	11	1	11	1	
7-9	1	1	1	1	
10-12	13	7	13	7	
13-16	5	0	5	0	
<b>Total</b>	<b>30</b>	<b>9</b>	<b>30</b>	<b>9</b>	

### 16.2 Financial Services

Winnie Madikizela - Mandela Local Municipality has established a Budget and Treasury Office in terms of section 80 of the Municipal Finance Management Act. The office is headed by the Chief Financial Officer with four managers directly reporting to him. The four managers are Manager: Supply Chain Management, Manager: Budgeting and Reporting, Manager: Revenue and Expenditure and, Manager: Assets and Stores. The structure for the section is depicted below: -

	Post	Vacant or Filled
1.	Chief Financial Officer	Filled

	<b>Post</b>	<b>Vacant or Filled</b>
2.	Secretary	Filled
3.	Manager: Supply Chain Management	Filled
4.	Manager: Revenue and Expenditure	Filled
5.	Manager: Budgeting and Reporting	Filled
6.	Manager: Assets and Stores	Filled
7.	Asset Management Officer	Filled
8.	Stores Officer	Filled
9.	Supply Chain Management Officer X 2	Both Filled
10.	Asset Management Clerk	Filled
11.	Stores Clerk	Filled
12.	Procurement Clerk X 3	Filled
13.	Accountant: Budgeting	Filled
14.	Accountant: Reporting	Vacant
15.	Accountant: Billing and Revenue	Filled
16.	Billing Clerk	Filled
17.	Meter Readers X 2	1 filled one vacant
18.	Revenue Clerk	Filled
19.	Cashiers X 2	Filled
20.	Accountant: Payroll	Filled
21.	Payroll Clerk	Filled
22.	Accountant: General Expenditure	Filled
23.	Clerk: General Expenditure	Filled
24.	Accountant: Capital Expenditure	Filled
25.	Clerk: Capital Expenditure	Filled

The Budget and Treasury Office is made up of the following sections, all of which are functional and are able to perform at the expected levels: -

- **Revenue Management:** This section is responsible for ensuring that the revenue due to the municipality is collected and accurately accounted for. This includes ensuring that billing for all services and taxes is carried out on a monthly basis.
- **Expenditure Management:** This section is responsible for all expenditure incurred by the municipality and ensuring that all service providers are paid for services rendered and goods supplied.
- **Supply Chain Management:** As detailed in the SCM Section earlier, this section is responsible for demand management, acquisition, logistics and disposals. The supply chain management also has asset management as one component that it is responsible for.
- **Budgeting and Reporting:** This ensures that budgets and adjustment budgets are compiled according to the legislations and approved within the prescribed timeframes, all expenditure is spent within the approved budgets, reporting to the requisite structures at the prescribed timeframes. This section is also responsible for the compilation of the Annual Financial Statements which are part of annual reporting. These have been prepared by our own municipal staff for the 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 financial years.

<b>Employees: Budget and Treasury</b>					
<b>Level</b>	<b>2022-23</b>	<b>2023-2024</b>			
	<b>Employees No</b>	<b>Posts No</b>	<b>Employees No</b>	<b>Vacancies</b>	<b>Vacancies % (As a % of total posts)</b>
0-3	01	0			
4-6	09	0			
7-9	0	0			
10-12	09	0			
13-16	04	0			
<b>Total</b>	<b>23</b>	<b>23</b>			

### **Human Resources and Skills Development**

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year, the Municipality has achieved the following:


- Retained one (1) employee by means of promotion to a middle management positions.
- Absorbed eight (8) of the EPWP beneficiaries into permanent positions.

### **16.3 Organisational Structure**



The municipality has reviewed its organisation structure and was adopted by Council on the 28th of June 2024. The total number of approved positions in the Organizational Structure is 307 with 256 filled positions and 51 vacant positions.

# WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY

**MACRO ORGANISATIONAL STRUCTURE**

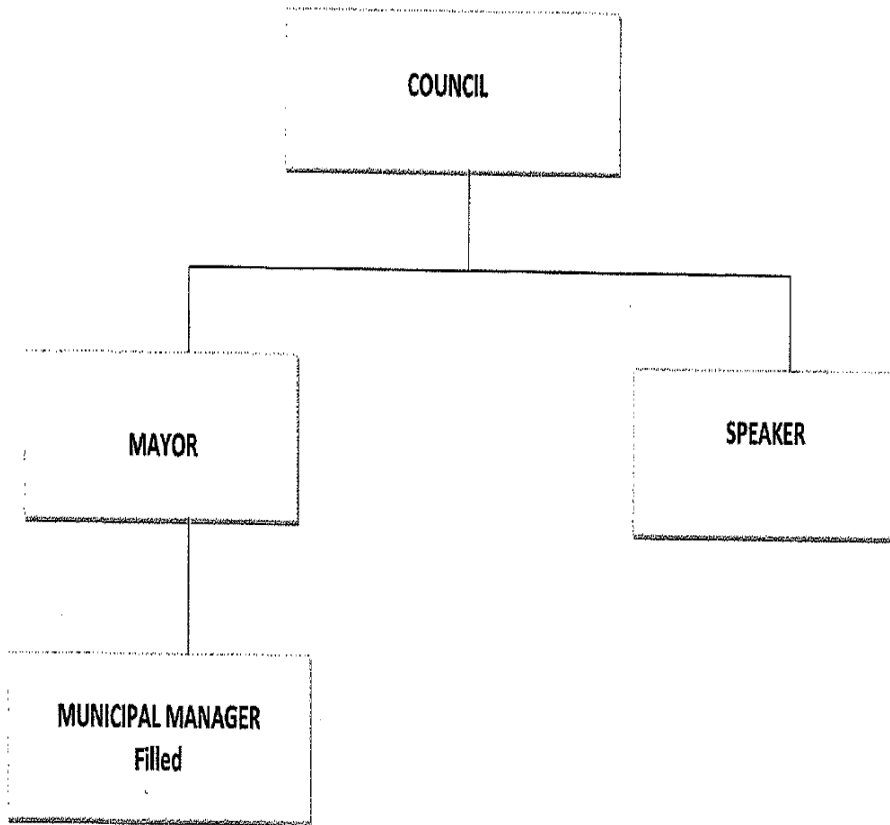
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Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted – 28 June 2022

WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZAMA 4800  
**28 JUN 2022**  
OFFICE OF THE MUNICIPAL MANAGER  
TEL: 039 251 0230  
FAX: 039 251 0917



Organisational Structure reviewed in 2021/22 Financial Year

Page 1

Council Adopted - 28 June 2022

WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800

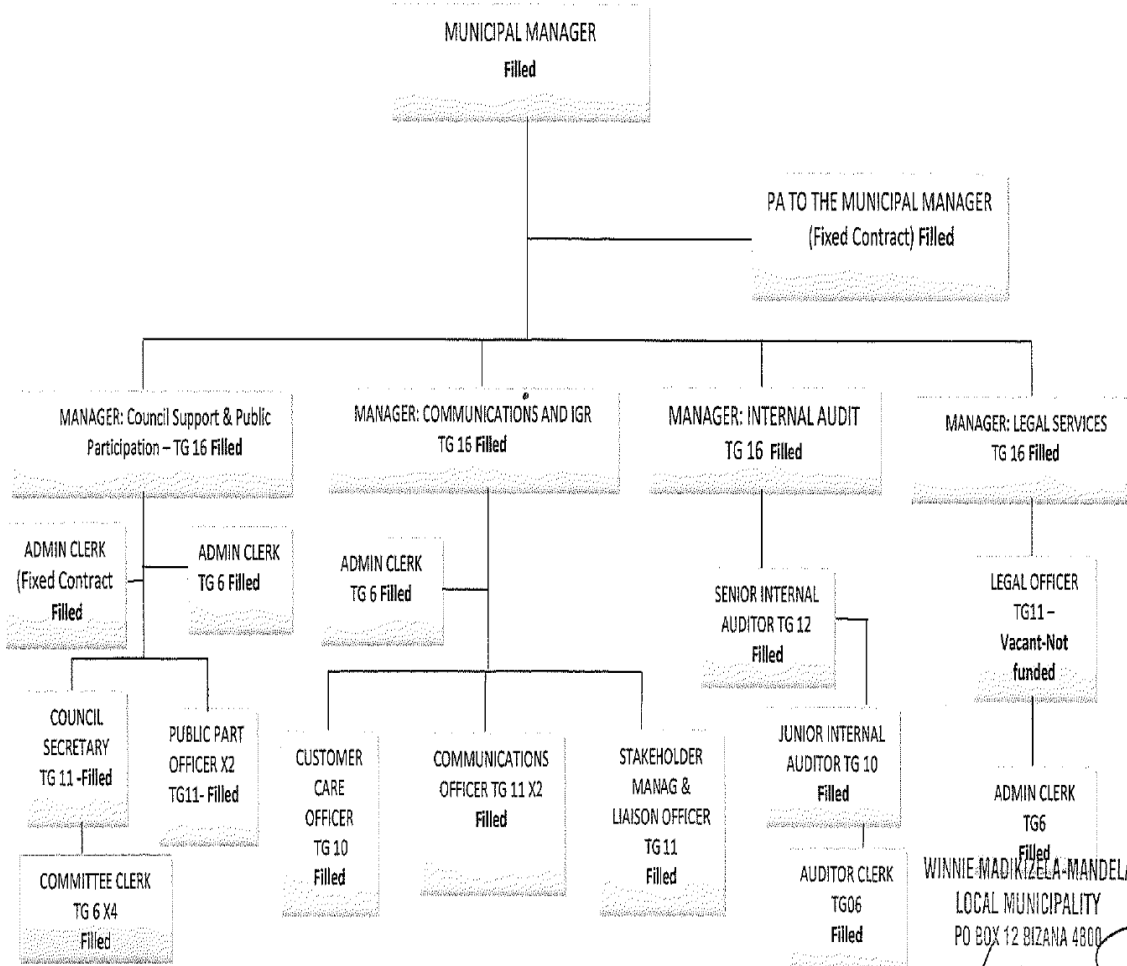
28 JUN 2022

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# OFFICE OF THE MUNICIPAL MANAGER



Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted – 28 June 2022

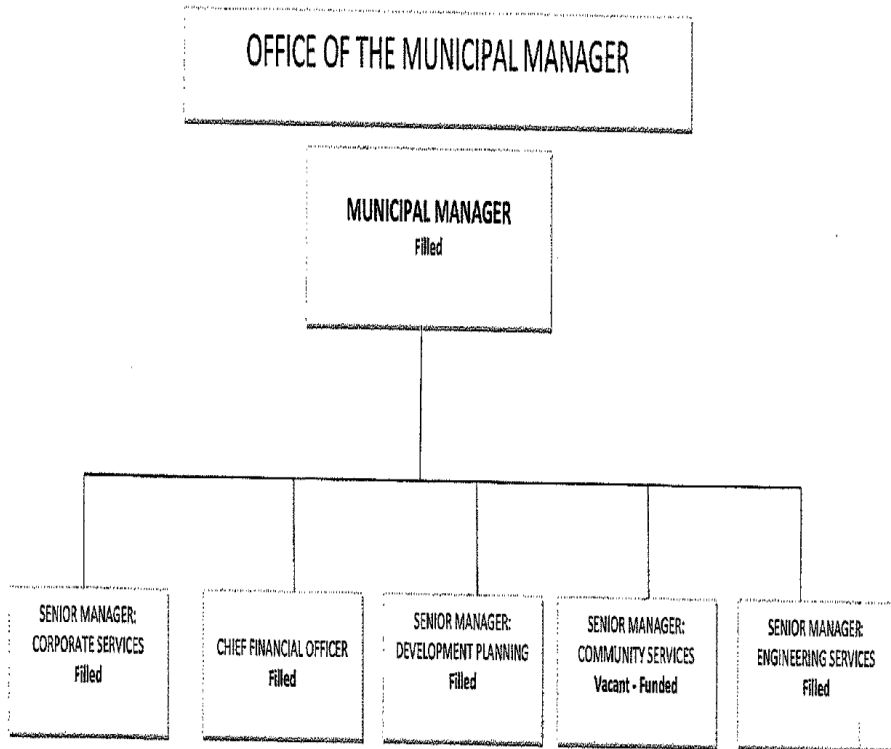
WINNIE-MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800

28 JUN 2022

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TEL: 039 251 0230

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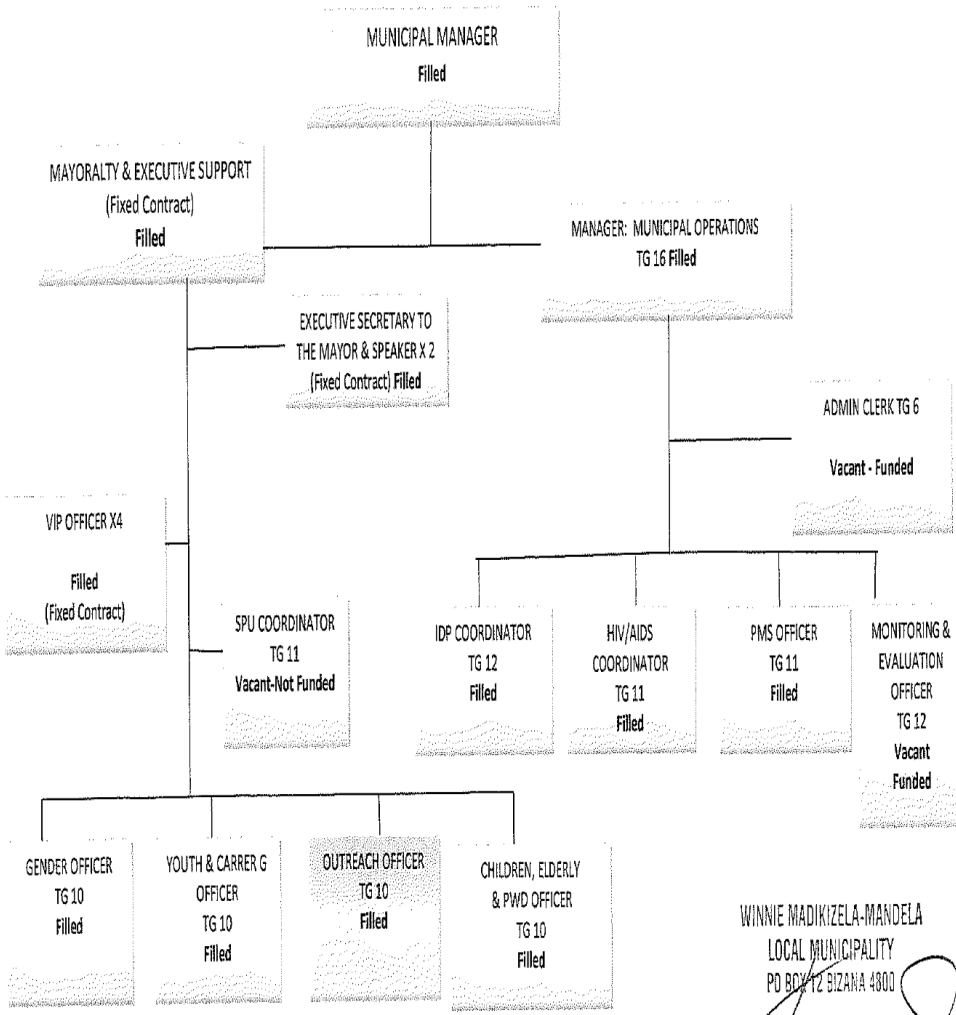


WINNIE MADIKIZELA-MANDELA  
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28 JUN 2022

*[Signature]*  
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# OFFICE OF THE MUNICIPAL MANAGER



WINNIE MADIKIZELA-MANDELA  
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28 JUN 2022

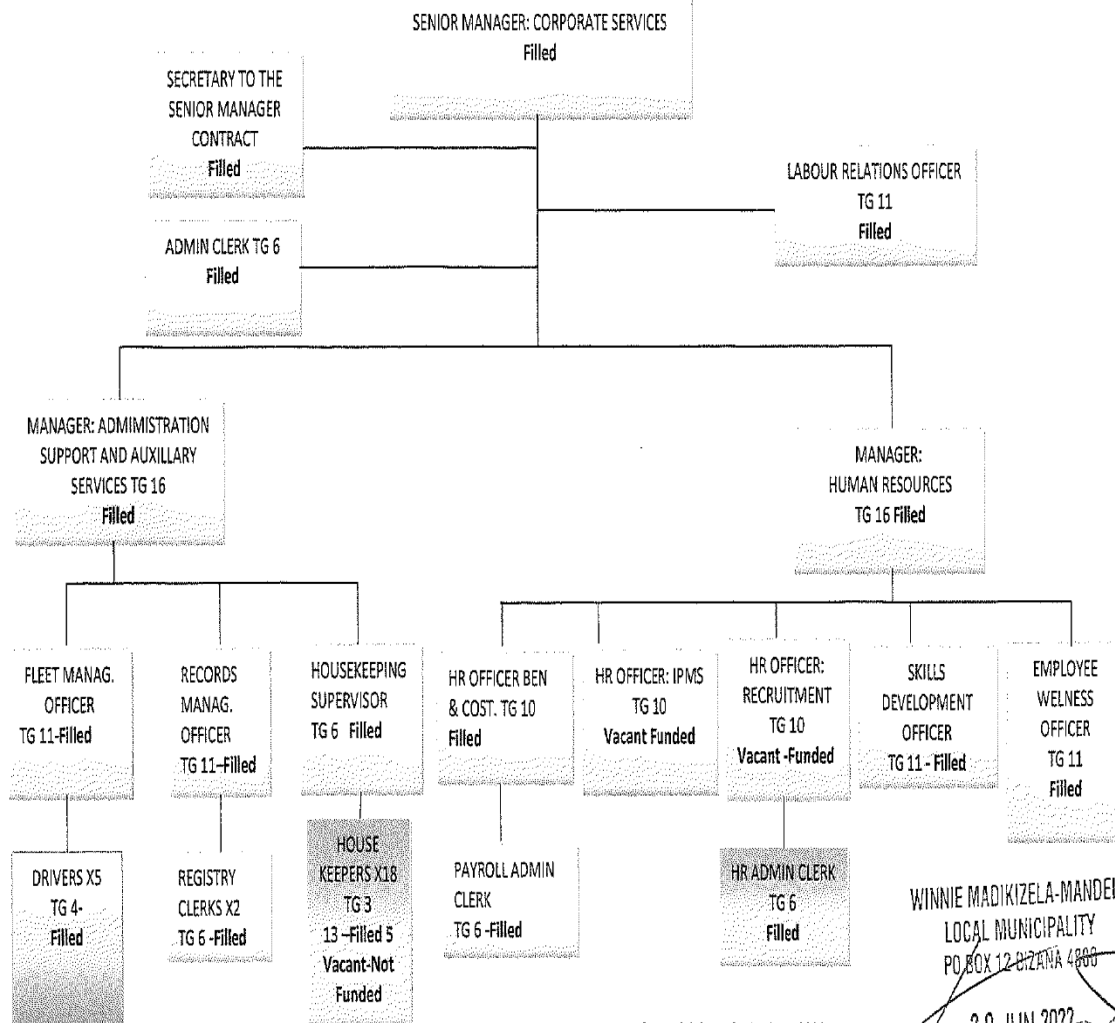
OFFICE OF THE MUNICIPAL MANAGER  
TEL : 039 251 0230  
FAX: 039 251 0917

Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted - 28 June 2022

# CORPORATE SERVICES DEPARTMENT



Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted - 28 June 2022

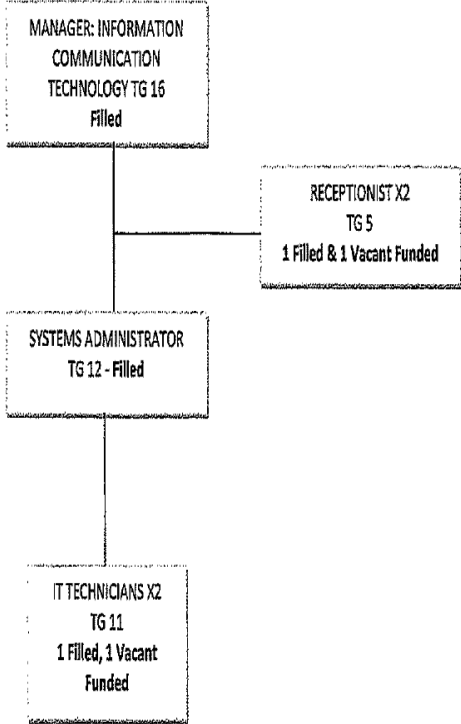
WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4000

28 JUN 2022  
OFFICE OF THE MUNICIPAL MANAGER

TEL : 039 251 0230  
FAX: 039 251 0917



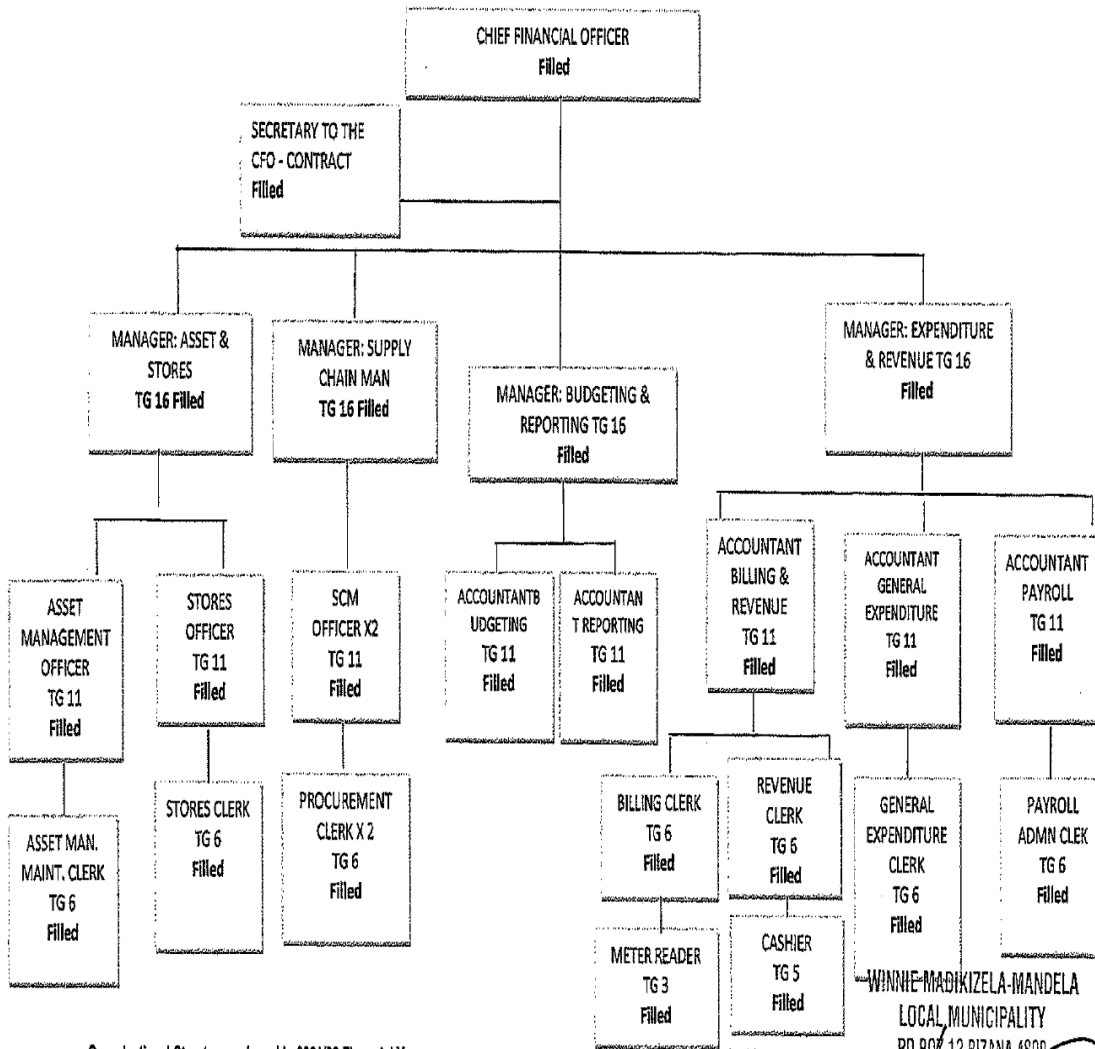
**CORPORATE SERVICES DEPARTMENT**



WINNIE MADIKIZELA-MANDELA  
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28 JUN 2022  
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# BUDGET AND TREASURY OFFICE



Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted - 28 June 2022

WINNIE-MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800

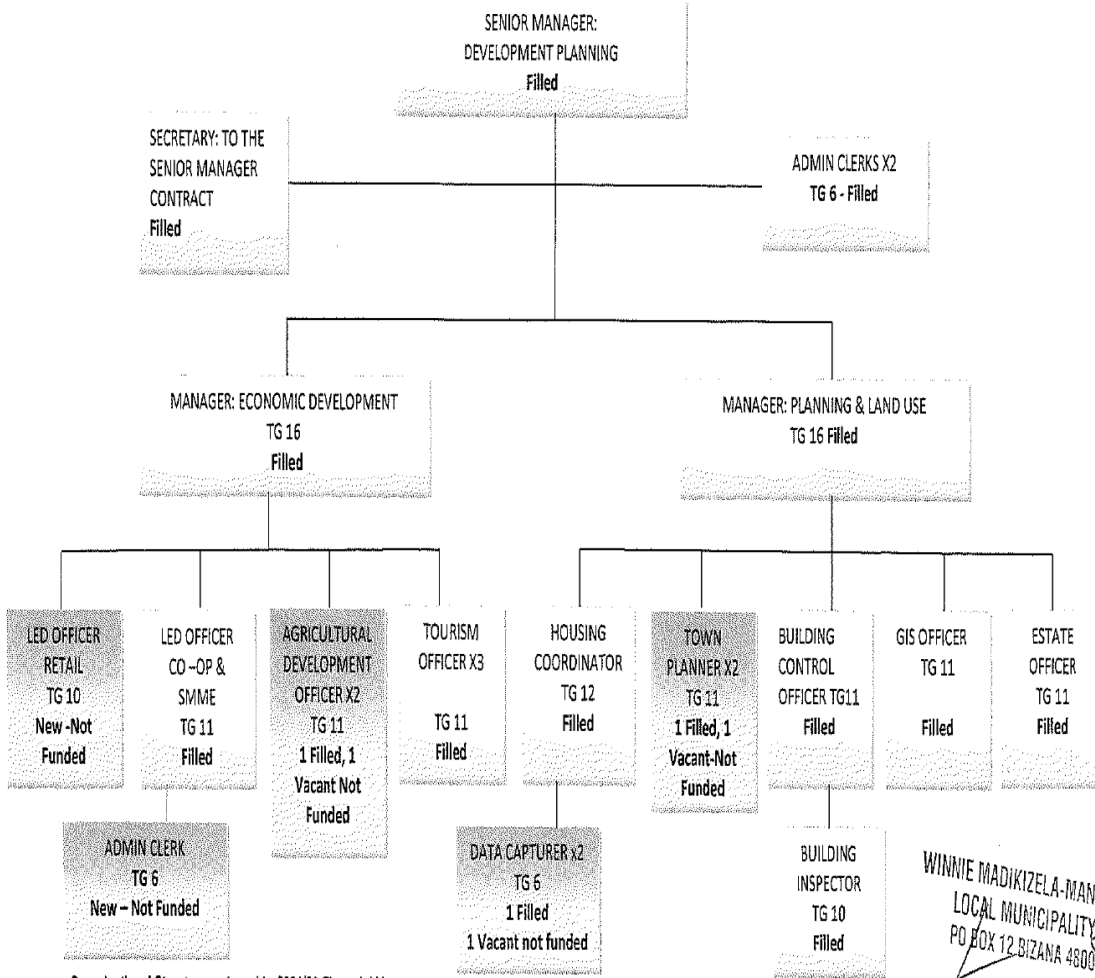
28 JUN 2022

OFFICE OF THE MUNICIPAL MANAGER

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FAX: 039 251 0917

# DEVELOPMENT PLANNING DEPARTMENT



Organisational Structure reviewed in 2021/22 Financial Year

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Council Adopted - 26 June 2022

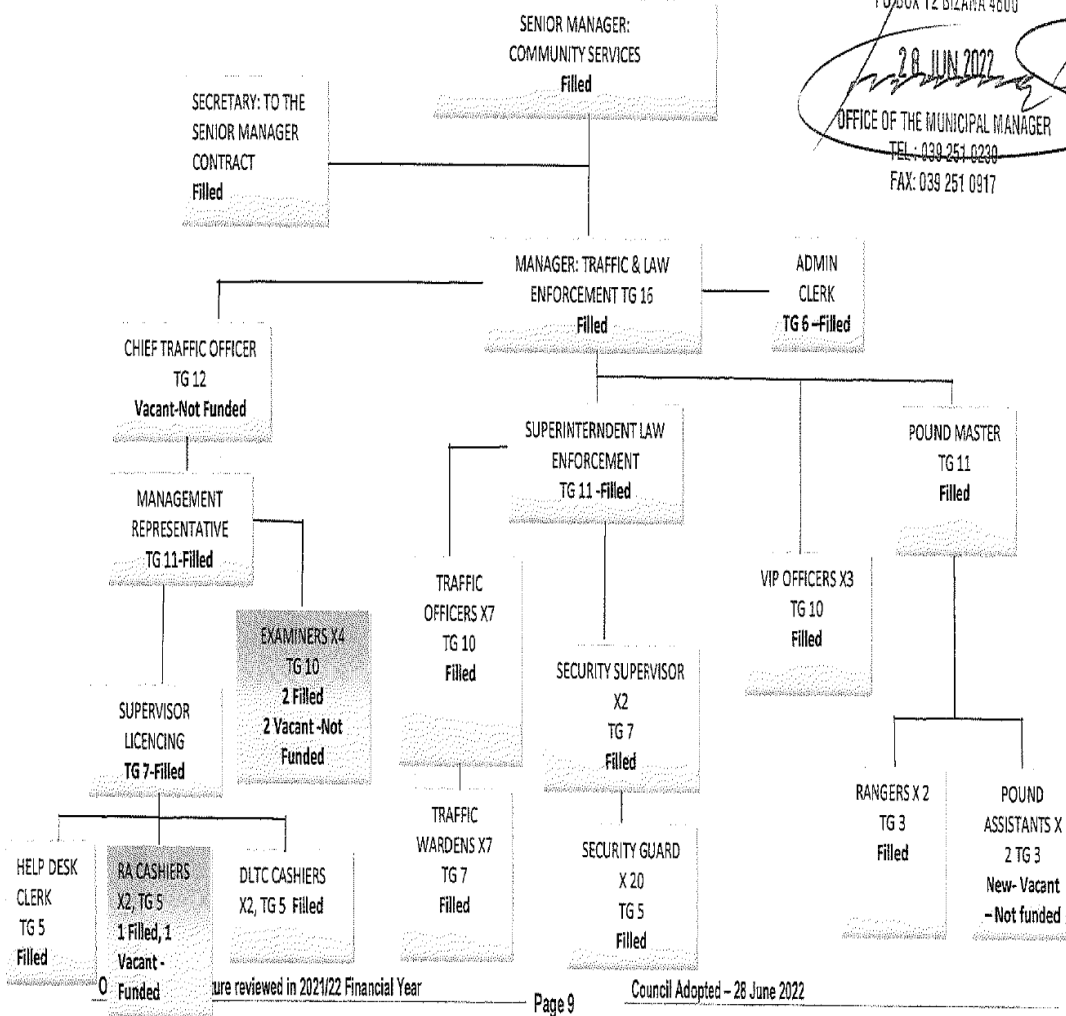
WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12, BIZANA 4800

28 JUN 2022  
OFFICE OF THE MUNICIPAL MANAGER  
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# COMMUNITY SERVICES DEPARTMENT

WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800

28 JUN 2022  
OFFICE OF THE MUNICIPAL MANAGER  
TEL : 030 251 0230  
FAX: 039 251 0917

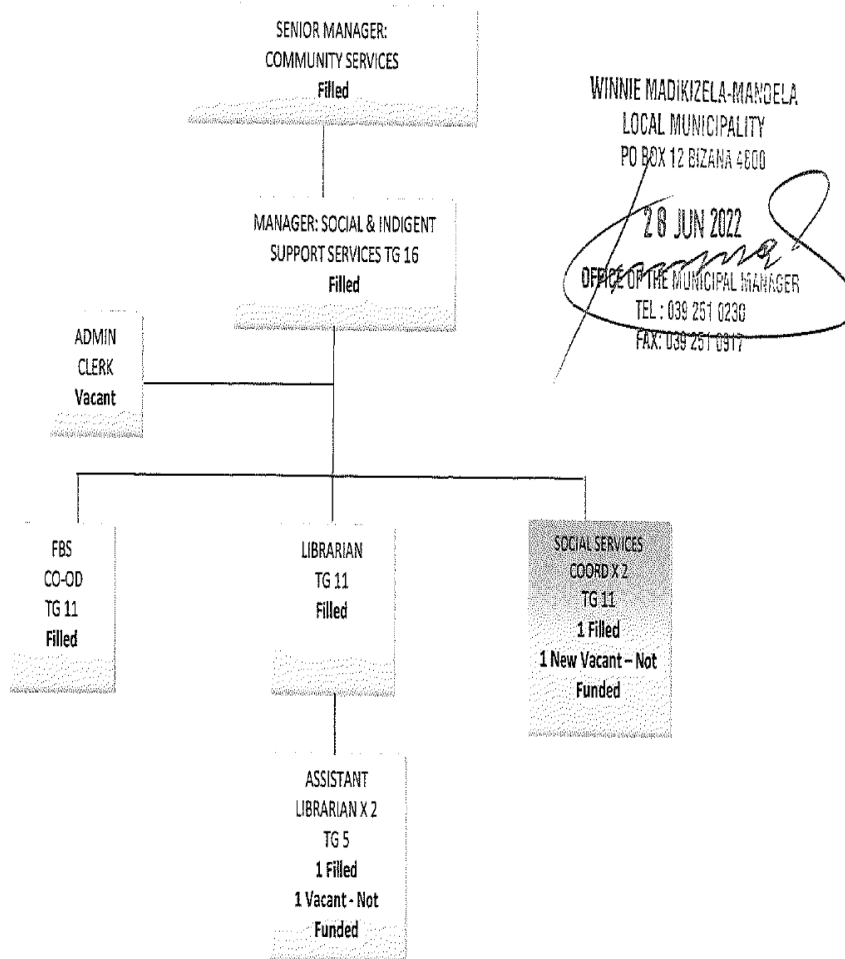


sure reviewed in 2021/22 Financial Year

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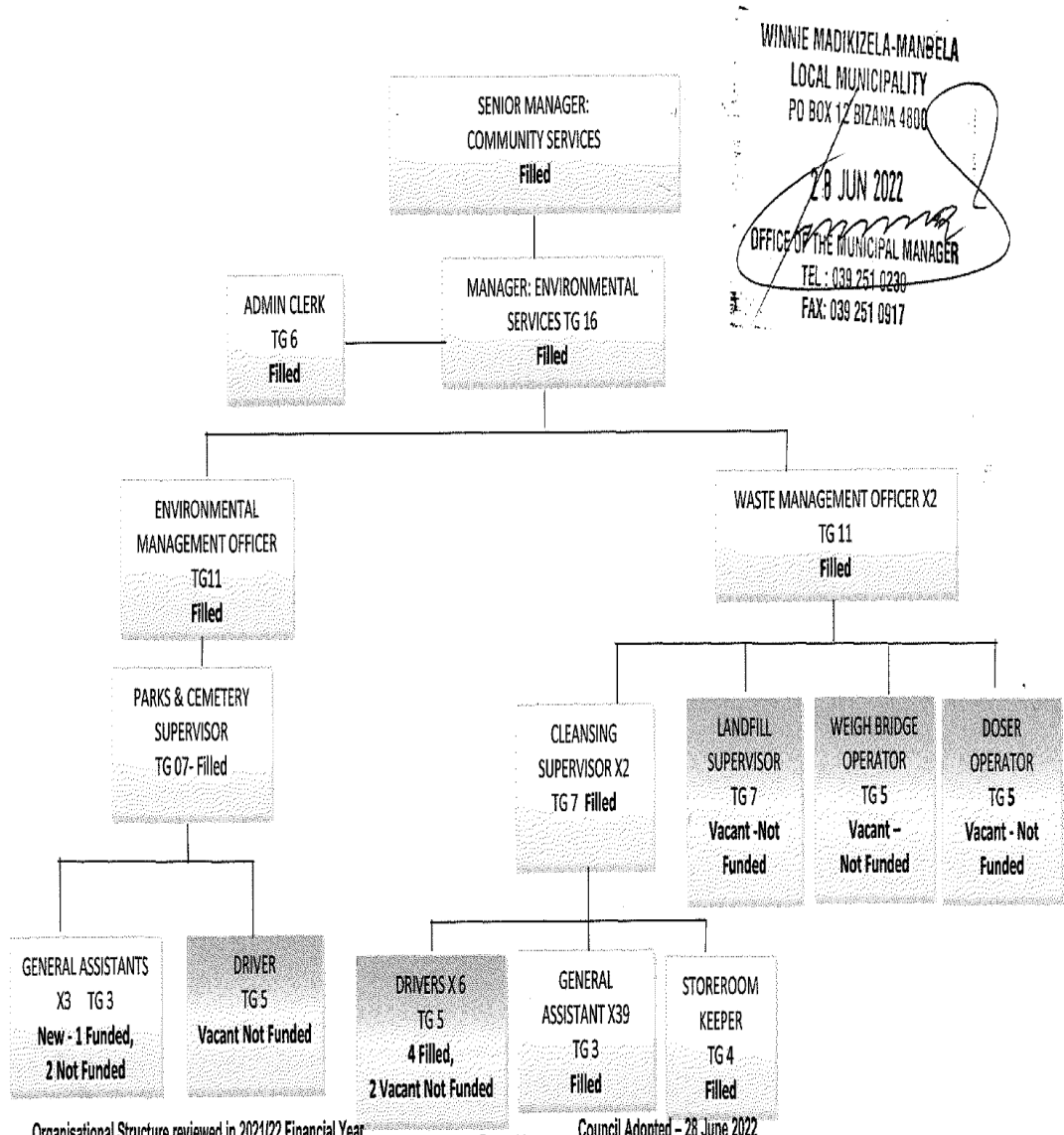
Council Adopted - 28 June 2022

# COMMUNITY SERVICES DEPARTMENT





# COMMUNITY SERVICES DEPARTMENT

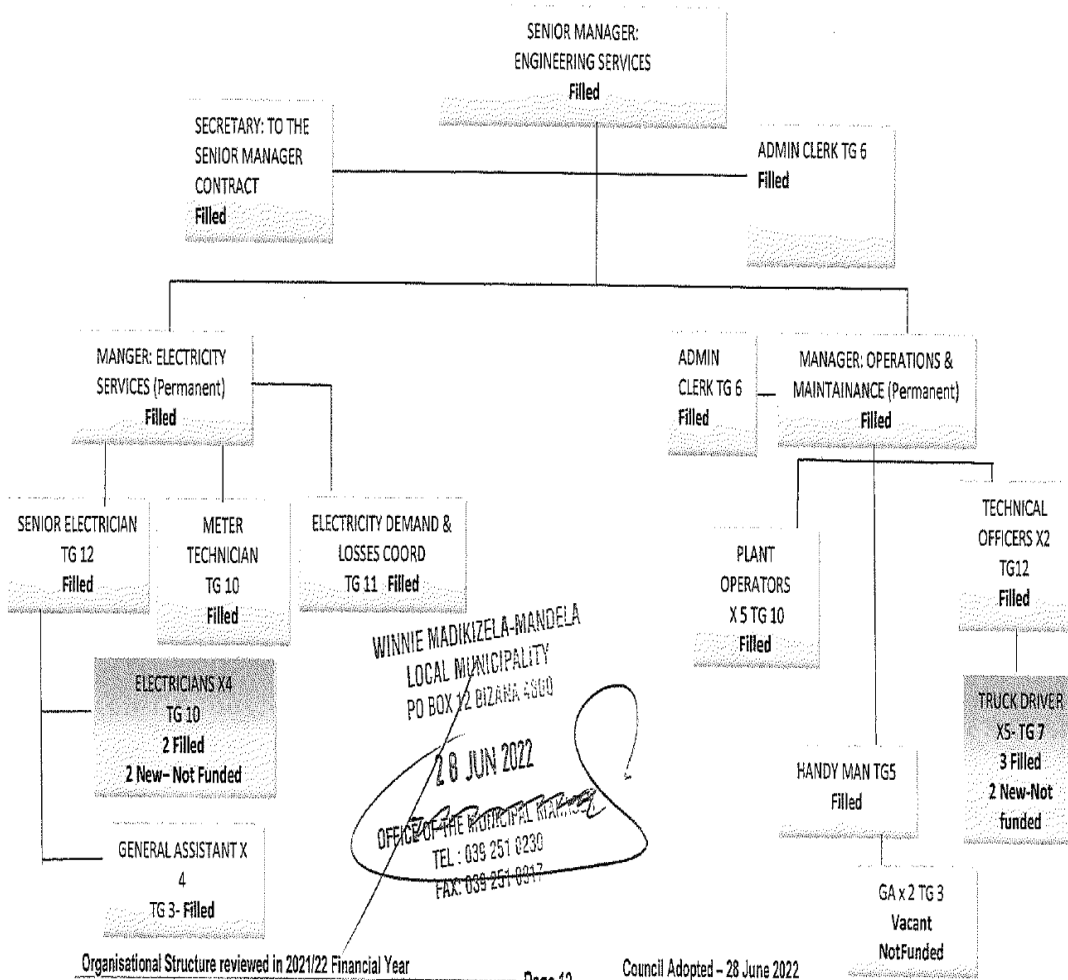


WINNIE MADIKIZELA-MANSELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800  
28 JUN 2022  
OFFICE OF THE MUNICIPAL MANAGER  
TEL: 039 251 0230  
FAX: 039 251 0917

Organisational Structure reviewed in 2021/22 Financial Year

Council Adopted - 28 June 2022

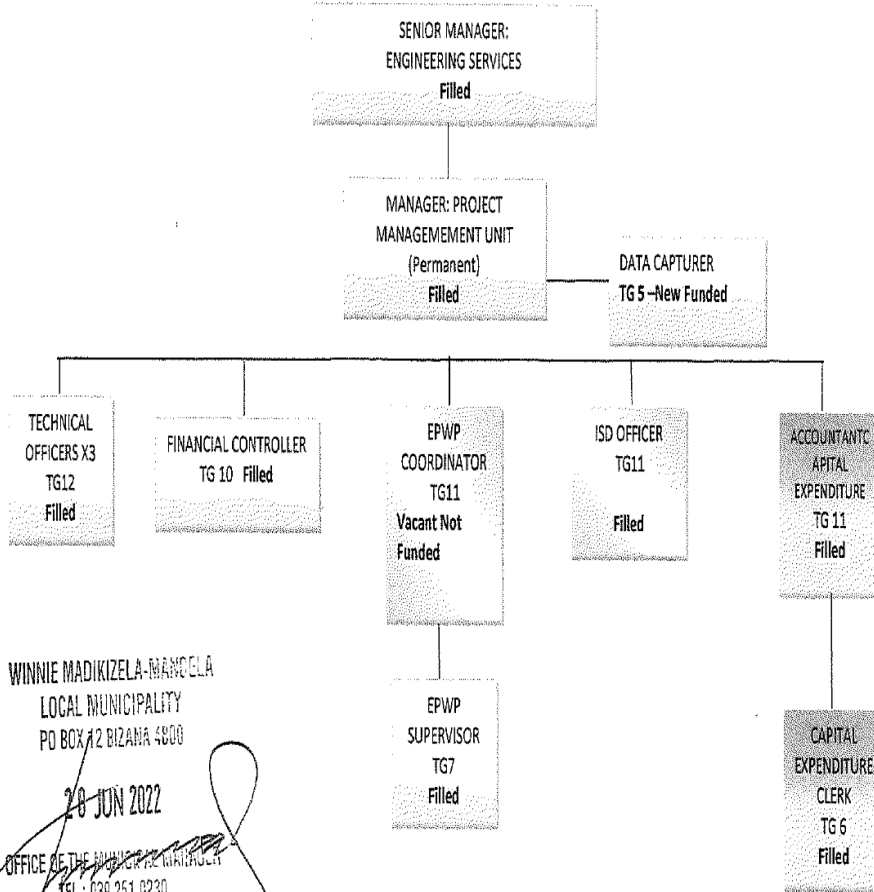
# ENGINEERING SERVICES DEPARTMENT



WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4500  
28 JUN 2022  
OFFICE OF THE MUNICIPAL MANAGER  
TEL : 039 251 0230  
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Organisational Structure reviewed in 2021/22 Financial Year

# ENGINEERING SERVICES DEPARTMENT



WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
PO BOX 12 BIZANA 4800

20 JUN 2022

OFFICE OF THE MUNICIPAL MANAGER  
TEL: 039 251 0230  
FAX: 039 251 0917



## **Retention Policy**

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year, the Municipality has achieved the following:

- Retained four (4) employees by means of promotion to higher positions.
- Absorbed three (3) of the EPWP beneficiaries into permanent positions.

## **Performance Management System**

Performance management is implemented at the level of section 56 managers, middle managers and officers. Workshops have been conducted to all levels and we are in the process of formulating templates that are understandable and relatable mostly to lower levels in terms of the performance plan and reporting. Bi-annual and annual assessments have been conducted to middle management and officers that have signed their performance agreement and performance plans. The Municipality has procured a PMS system which has incorporated the organisational as well as individual performance management. The main objective of the system is to sync Municipal information as well as to centralise the record management. Information is being captured at the same time testing the capabilities of the system versus the needs of the municipality.

## **Employee Wellness**

The municipality is committed to promoting equal opportunities and fair treatment to all its employees, through the elimination of unfair discrimination and integrated wellness programmes and policies. The municipality has adopted a holistic approach to address social and work-related problems through awareness programmes for its employees on HIV and AIDS, Chronic illnesses, Disability and Occupational Health and Safety for its employees.

The section has undertaken the following during the reporting year: -

- A total of one hundred and seventy-five (175) employees that are exposed to high risk areas have been exposed to medical surveillance in order to ascertain that they are still fit to conduct their duties.
- The OHS Committee led the Occupational Risk Assessment and have also conducted an inspection of all Municipal Buildings and vehicles and made recommendations on findings with time frames.
- The municipality in collaboration with the fire department within the district municipality conducted an awareness on fire targeting the employees that are occupying the offices (administrative).
- An awareness programme on Health Promotion was conducted to all municipal employees and Councillors.
- First aiders were appointed according to the different areas of concern in and around the municipality in order to adhere to the OHS Act and all first aiders were trained and received certification.

## **Information and Communication Technology Services**

The Information and Communication Technology (ICT) section is responsible for ICT architecture, ICT hardware, software and networking including peripheral devices. As ICT unit, a number of duties are performed to ensure that employees have full access to the network and

municipal systems. Information technology (IT) has become a vital and integral part in all government spheres in introducing efficiencies and ensuring data integrity.

ICT supports a server room with 3 hosts with 13 virtual servers and 2 other physical servers. A UPS for the entire server room is installed but the batteries have died and also the backup generator is not working. The server room has access control security system (biometric reader). All cabinets with distribution switches are supplied with UPSs. The municipality has a fully functional VoIP telephony system.

To improve internet and email traffic, the municipality has a 20mb fibre (Metro-E) running Voice over IP (VoIP), VIDEO and standard Data traffic. The Municipality has both physical and wireless Access points (Wi-LAN).

The municipality has connected two sites (Civic Centre and DLTC) to the main site via wireless connection and has installed public Wi-Fi in all 3 municipal sites, the public Wi-Fi is running on 200Mb.

All ICT policies, Disaster Recovery Plan, Business continuity Plan, IT Strategy and ICT risk and control framework we reviewed and approved during the last quarter of 2023/24 financial year.

The Municipality has an offsite storage. Daily backups are kept and stored on this offsite storage that is fire proof, in a Data Centre in Centurion, Gauteng.

## **Municipal Websites**

WMM Local Municipality website is up and running, URL: <https://www.winniemlm.gov.za>. ICT is responsible for compliance on the website in terms legislations and laws applicable to municipal websites. The role of Winnie Madikizela-Mandela website, as platform for information dissemination, participation and disclosure has been significantly catered for in various pieces of legislation, including:

- The Local Government Municipal Systems Act No 32 of 2000 ("the Systems Act");
- The Local Government Municipal Financial Management Act No 56 of 2003 ("the MFMA"); and
- The Municipal Property Rates Act, no 6 of 2004 ("the MPRA").

ICT is responsible for uploading compliance documents in terms of s75 of the Municipal Finance Management Act No. 56 of 2003 and all applicable laws of the republic of South Africa, With the collaboration with Municipal directorates, ICT is able to maintain fresh content on the website including social media platforms.

## **Disaster Recovery Plan**

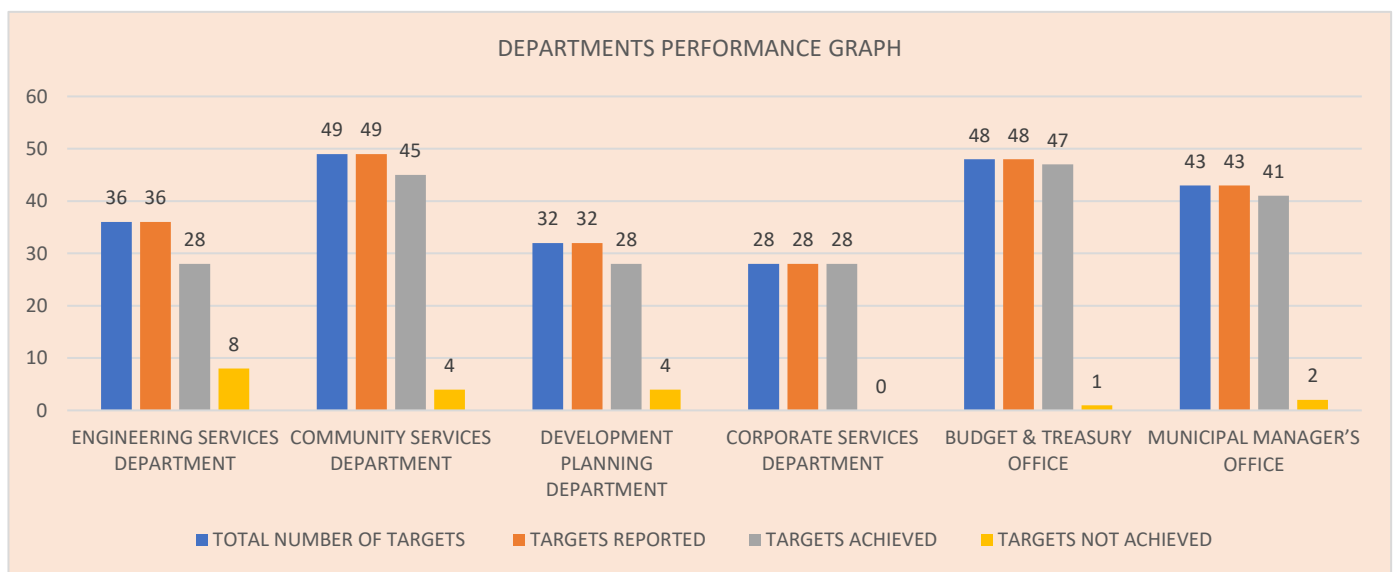
The Municipality has an adopted Disaster Recovery Plan to be implemented with the adopted Business Continuity Plan that has also been adopted by the Municipal council. This is to ensure smooth recovery with minimal negative impact when a disaster occurs. The municipality has three hosts with several Virtualized servers and a dedicated server housing VEEAM with HYPER-V for back-up and replication. For offsite back up, the municipality has a service level agreement in a data center in Centurion, Gauteng province providing a cloud solution. As part of recovery plans and archiving, the municipality procured a records management system specifically for the managing of Finance records that are growing at a higher rate.

## 16.4 Annual Performance Report

### 1. 2023/2024 ANNUAL PERFORMANCE REPORT IN NUMBERS AND PERCENTAGES

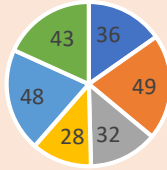
DEPT/KPA	TOTAL NUMBER OF TARGETS	TARGETS REPORTED	TARGETS ACHIEVED	TARGETS NOT ACHIEVED	ACHIEVEMENT PERCENTAGE	PERFORMANCE IMPROVED OR DROPPED COMPARED TO 2022/2023	COLOUR CODDING FOR OVERALL PERFORMANCE
ENGINEERING SERVICES DEPARTMENT	36	36	28	8	78%	↑	Yellow
COMMUNITY SERVICES DEPARTMENT	49	49	45	4	92%	↑	Yellow
DEVELOPMENT PLANNING DEPARTMENT	32	32	28	4	88%	↑	Yellow
CORPORATE SERVICES DEPARTMENT	28	28	28	0	100%	↑	Green
BUDGET & TREASURY OFFICE	48	48	47	1	98%	↑	Green
MUNICIPAL MANAGER'S OFFICE	43	43	41	2	95%	↑	Yellow
OVERALL PERFORMANCE	236	236	217	19	92%	↑	Yellow

### 2. DEPARTMENTS PERFORMANCE GRAPHS



3. DEPARTMENTS CONTRIBUTION IN THE MUNICIPALITY'S OVERALL PERFORMANCE

## DEPARTMENTS CONTRIBUTION IN THE MUNICIPALITY'S OVERALL PERFORMANCE



- ENGINEERING SERVICES DEPARTMENT      ■ COMMUNITY SERVICES DEPARTMENT
- DEVELOPMENT PLANNING DEPARTMENT   ■ CORPORATE SERVICES DEPARTMENT
- BUDGET & TREASURY OFFICE              ■ MUNICIPAL MANAGER'S OFFICE

COMPARISONS BETWEEN 2022/2023 AND 2023/2024 FINANCIAL YEARS ANNUAL PERFORMANCE

DEPARTMENT	2022/2023 FY ANNUAL PERFORMANCE ASSESSMENT IN PERCENTAGE		2023/2024 FY ANNUAL PERFORMANCE ASSESSMENT IN PERCENTAGE	
	Achieved	Not Achieved	Achieved	Not Achieved
<b>ENGINEERING SERVICES - BASIC SERVICE DELIVERY 1</b>	70%	30%	78%	22%
<b>COMMUNITY SERVICES - BASIC SERVICE DELIVERY 2</b>	90%	10%	92%	8%
<b>DEVELOPMENT PLANNING - LOCAL ECONOMIC DEVELOPMENT</b>	57%	43%	88%	12%
<b>CORPORATE SERVICES – INSTITUTIONAL TRANSFORMATION &amp; DEVELOPMENT</b>	90%	10%	100%	0%
<b>BUDGET &amp; TREASURY OFFICE - FINANCIAL VIABILITY</b>	92%	8%	98%	2%
<b>MUNICIPAL MANAGER'S OFFICE</b>	90%	10%	95%	5%

## MUNICIPALITY'S OVERALL PERFORMANCE COMPARISON

2022/2023 FINANCIAL YEAR PERFORMANCE					2023/2024 FINANCIAL YEAR PERFORMANCE				
ACHIEVED	NOT ACHIEVED	NOT REPORTED	TOTAL	PERCENTAGE	ACHIEVED	NOT ACHIEVED	NOT REPORTED	TOTAL	PERCENTAGE
197	41	0	238	83%	217	19	0	236	92%

The Municipality's Annual Performance for 2023/2024 Financial Year stands at **92%**. When compared to the preceding 2022/2023 Financial Year's **83%** Annual Performance Assessment Report, the municipality's performance has increase by **9%** in its service delivery mandate. The reasons for non-achievement of targets with remedial measures thereof are outlined per department as follows :

- **BREAKDOWN OF DEPARTMENTS TARGETS NOT ACHIEVED**

### ENGINEERING SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 22% OF THE DEPARTMENT'S OVERALL TARGETS

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Construction of 6,7km Sidanga Access Road with 3 Bridges with 1,8Km concrete slab	1.1.1	Constructed 6,7km Sidanga access road with 3 bridges and 1,8km concrete slab by June 2024	Poor performance by the contractor	A new contractor to be appointed once termination process has been finalized
Construction of Thaleni Bridge.	1.1.5	Constructed 1 bridge for Thaleni access road by June 2024	Delays in the construction of the bridge due to EIA extension being required after change of scope	Bridge works to commence once the EIA has been approved. The revised project scope of the road and bridge has been included in the 2024/25 SDBIP
Construction of Mbizana Civic Centre in town	1.2.2	1 Mbizana civic Centre constructed by June 2024	Poor performance by the contractor	Invoke penalties to the contractor
Electrification of Lower Etheridge Village Phase 2	1.7.2	Connected and Energized of 105 households in Lower Etheridge phase 2 by June 2024	Project construction was completed in May but Eskom has not yet provided a date for energizing	To engage Eskom to fast track the outage date
Electrification of Msarhweni Village Phase 2	1.7.4	Connected and energized 90 households in Msarhweni phase 2 by June 2024	Project construction was completed for 60 households in May but Eskom has not yet provided a date for energizing.	To engage Eskom to fast-track the outage date. The work of the remaining households will be included in future

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
				projects for Eskom electrification in the area
Electrification of Zizityaneni Village	1.7.5	Connected and energized 315 households in Zizityaneni by June 2024	Non-performance of the contractor which led to the termination of the contract.	Appointment of a service provider to complete the works on site.
Electrification of Nomlacu Village Phase 2	1.7.7	Connected and energized of 191 households (phase 2) in Nomlacu by June 2024	Project construction was completed in May but Eskom has not yet provided a date for energizing	To engage Eskom to fast track the outage date
Replacement damaged and faulty of electricity infrastructure	1.9.1	Replaced 3 kiosks and 10-meter boxes in town by June 2024.	Service provider not yet appointed to undertake the works. The 14-day intention to award was issued on 21 May 2024 but the service provider has not yet been appointed.	Fast tracking the appointment of the service provider to ensure achievement of set targets

**COMMUNITY SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 8% OF  
THE DEPARTMENT'S OVERALL TARGETS**

Project to Be Implemented	KPI No.	Annual Target	Reason For Variance	Remedial Action
Paving of 1 public facilities	1.12.3	1 Paved and landscaped public facility in ward 04 by June 2024	The appointment of service provider was concluded later than anticipated time.	The project is expected to be completed in quarter 1 of 2024/25FY.
Construction of EXT. 3 landfill site	1.16.4	01 EXT.3 Dumpsite fenced by June 2024.	Delays caused by suppliers of fencing material delayed completion of fence.	Complete fencing in Q1
Purchase 1 waste management truck and 1 Skip loader truck and 2 bakkies	1.16.10	Purchased 1 waste management truck, 1 skip loader truck and 2 Bakkies by June 2024	Segment was for Refuse Trucks and not adjusted to accommodate purchasing of 2 bakkies.	Allocate budget for 2 bakkies during budget adjustment for 24/25 FY
Maintenance of robots, CCTV Cameras and calibration of machine,	1.17.1	Maintained 100% robots, CCTV cameras and calibration of machine by June 2024	CCTV Camera maintenance was advertised f three times because of non-responsiveness service providers. The fourth advert closed in June 2024.	CCTV maintenance has been re-advertised closed on the 17th of June 2024. A speedy sitting of evaluation committee will be facilitated.

**DEVELOPMENT PLANNING TARGETS NOT ACHIEVED CONSTITUTING ABOUT 12%  
OF THE DEPARTMENT'S OVERALL TARGETS**

<b>Project To Be Implemented</b>	<b>KPI No.</b>	<b>Annual Target</b>	<b>Reason for Variance</b>	<b>Remedial Action</b>
Development of the wild coast precinct plan	2.1.1	1 Developed wild coast precinct plan by June 2024	Challenges securing a suitable service provider due to non-responsiveness	Follow up on the sitting of committees.
Compilation of Supplementary Valuation Roll	2.4.1	1 Compiled Supplementary Valuation Roll by June 2024	The service had no contractual obligations to perform the Supplementary valuation because the 5-year term lapsed as stipulated on MPRA. Extension of time process delayed and Service provider delayed in providing the roll-on time to be able to advertise it and implement it.	The Project is planned for 2024/25 financial year.
Construction of Manufacturing Hubs Phase 1	2.11.1	Phase 1 of 3 manufacturing hubs under construction by June 2024	Late approval of environmental authorizations and late appointment of consultant for construction	Advertise for construction of manufacturing hubs in the first quarter of the 2024/25 financial year
Construction of Bizana Mini-Market Phase 2	2.13.3	Constructed 1 Bizana Mini-Market, site establishment completed by June 2024	Non-responsiveness of Service Provider to tender, tendered quotes above budget	FastTrack negotiation with potential contractor and establish site in the 1st Quarter of 2024/25 financial year.

**CORPORATE SERVICES TARGETS NOT ACHIEVED CONSTITUTING ABOUT 0% OF  
THE DEPARTMENT'S OVERALL TARGETS**

**BUDGET & TREASURY TARGETS NOT ACHIEVED CONSTITUTING ABOUT 2% OF  
THE DEPARTMENT'S OVERALL TARGETS**

<b>Project to Be Implemented</b>	<b>KPI No.</b>	<b>Annual Target</b>	<b>Reason For Variance</b>	<b>Remedial Action</b>
Monthly monitoring reports for all extended contracts.	4.3.4	12 monthly monitoring reports for all extended BTO contracts by 30 June 2024	The target was incorrectly crafted to only focus on extended contracts	The target has been corrected in the 2024/25 SDBIP to ensure full compliance with s116 of the MFMA

**MUNICIPAL MANAGERS OFFICE TARGETS NOT ACHIEVED CONSTITUTING ABOUT  
5% OF THE DEPARTMENT'S OVERALL TARGETS**

<b>Project to Be Implemented</b>	<b>KPI No.</b>	<b>Annual Target</b>	<b>Reason For Variance</b>	<b>Remedial Action</b>
Reviewal of Fraud and Anti-Corruption policy.	5.5.1	Fraud and Anti-Corruption Policy adopted by Council by June 2024.	Draft policy was erroneously left out during policy submission period	To be submitted during Quarter One
Construction of life size bronze statue	5.9.2	1 Winnie Madikizela Mandela statue constructed in a municipal building by June 2024	Non - responsive bidders	Appointment of service provider to be facilitated in quarter 1.

**8. DEPARTMENTS PERFORMANCE SCORE CARD**





BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Roads	Improved access to Basic Services	To reduce access roads backlog by constructing 115,10 kms by June 2027	1.1	By constructing 38 kms of gravel access roads and Rehabilitating 30.1km by June 2024	865 kms in place	Construction of 6,7km Sidanga Access Road with 3 Bridges with 1,8Km concrete slab	Number of Kms constructed from Sidanga Access Roads with Bridges and concrete slab	1.1.1	1	progress report, Practical Completion Certificate	R4 598 256,00	R4 678 646,00	2 925 805,00	1 752 841,00	Constructed 4.5km of Sidanga gravel access road with Bridge and 1km of concrete slab constructed by June 2023	Constructed 4.5km of Sidanga gravel access road with 1km concrete slab only bridge that is still under construction. Sidanga Access Road: Additional work done on site includes the following: •Extra earthworks on the bridges as well as additional steel and earthwo	Constructed 6,7km Sidanga access road with 3 bridges and 1,8km concrete slab by June 2024	Constructed 6,7km of Sidanga gravel access road with 1,8km concrete slab under construction with 2 bridges completed and one bridge that needs approaches. Notice of intention to terminate the contract issued to the	R4 637 391,39	Not Achieved	Poor performance by the contractor	There was no progress on site hence the variance on the budget	A new contractor to be appointed once termination process has been finalised



BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		ete slab not completed					
					865 kms in place	Approval of designs for Mqonjwana to Greenville AR	Number of designs approved for Mqonjwana AR	1.1.2	0,5	design report	R4 793 564,00	R5 586 089,00	R5 586 089,00	N/A	Advert Mqonjwana to Greenville gravel access road by June 2023	Advert Mqonjwana to Greenville gravel access road developed and submitted to SCM.	1 Design approved for Mqonjwana AR by June 2024	1 Design for Mqonjwana to Greenville Submitted and approved	R359 744,15	Achieved	N/A	N/A	N/A
					877 kms in place	Construction of 8Km of Ntlane zwe to Sizabonke Access Roads with bridge	Number of Km of Ntlane zwe to Sizabonke access road with 1 bridge constructed	1.1.3	0,5	proof of submission to SCM, progress report, practical completion certificate.	R7 336 692,00	R7 336 692,00	N/A	R7 336 692,00	N/A	N/A	Constructed 8 kms of Ntlane zwe to Sizabonke access road with 1 bridge by June 2024	Constructed 8km Ntlane zwe to Sizabonke AR with 1 bridge. Practical Completion achieved on 28 June 2024	R7 862 979,78	Achieved	N/A	Contractor on site is performing well hence the variance. A virement was approved to cover	N/A

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																					the difference		
					877 kms in place	Construction of 6,2 km Mwilini to Zibanzini Access Road with bridge.	Number of Km of Mwilini to Zibanzini access road constructed with 1 bridge	1.1.4	0,5	proof of submission to SCM, progress report, practical completion certificate.	R7 553 784,00	R7 553 784,00	N/A	R7 553 784,00	N/A	N/A	Constructed 6.2 kms of Mwilini to Zibanzini access road with 1 bridge by June 2024	Constructed 6.2km of Mwilini to Zibanzini AR with 1 bridge. Practical Completion achieved on 28 June 2024	R702 621,05	Achieved	N/A	N/A	N/A
					877 kms in place	Construction of Thaleni Bridge.	Number of bridges constructed for Thaleni access road	1.1.5	0,5	Proof of submission, progress report, practical completion	R6 675 224,00	R6 675 224,00	N/A	R6 675 224,00	N/A	N/A	Constructed 1 bridge for Thaleni access road by June 2024	0 bridge constructed for Thaleni. Construction of access road and slab in progress	R7 639 926,76	Not Achieved	Delays in the construction of the bridge due to EIA extension being required after	Contractor on site is performing well hence the variance. A review	Bridge works to commence once the EIA has been approved. The review

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
										certificate								ss, however bridge works have not yet commenced	change of scope	ent was approved to cover the difference	d project scope of the road and bridge has been included in the 2024/25 SDBIP		
					877 kms in place	Construction of 8Km Mgomazi Access Road-Phase 2 with 600m concrete slab.	Number of Km constructed for Mgomazi access road Phase 2 with 600m concrete slab	1.1.6	0,5	Proof of submission, progress report, practical completion certificate	R4 238 064,00	5 321 504,00	1 083 440,00	4 238 064,00	Rehabilitated 2,5km of Mgomazi access road by June 2023	Rehabilitated 0km of Mgomazi access road, however 2,5Km access road is still under construction, concrete slab in progress.	Constructed 8km of Mgomazi Phase 2 access road with 600m concrete slab by June 2024	Constructed 8km Mgomazi phase 2 access road with 600m concrete slab. Practical Completion achieved on 09	R5 440 288,06	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
																								May 2024
																		May 2024						
					877 kms in place	Construction of 2,6Km Mhlwazini Access Road	Number of Kms of Mhlwazini access road constructed	1.1.7	0,5	proof of submission to SCM, progress report , Practical Completion Certificate	R3 795 612,00	R4 368 467,00	R572 855,00	R3 795 612,00	N/A	N/A	Constructed 2,6kms of Mhlwazini access road by June 2024	Constructed 2,6km of Mhlwazini AR. Practical Completion achieved on 04 June 2024	R4 237 282,85	Achieved	N/A	N/A	N/A	
					877 kms in place	Construction of 3Km Mgqut salala Access Road with 300 concrete slab	Number of Km constructed from Mgqut salala access road with concrete slab	1.1.8	0,5	proof of submission to SCM, progress report , Practical Completion Certificate	R3 107 516,00	5 151 191,00	R2 043 675,00	R3 107 516,00	N/A	N/A	Constructed 3 kms of Mgqut salala access road with 300m concrete slab by June 2024	Constructed 3km Mgqut salala AR with 300m concrete slab. Practical Completion achieved on 17	R4656 514,35	Achieved	N/A	N/A	N/A	

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					877 kms in place	Rehabilitation of 5.2km Mbongwana via Dotye to Greenville Hospital Access Road with 500m concrete slab	Number of kms rehabilitated from Mbongwana via Dotye to Greenville Hospital Access Road	1.1.9	0,5	proof of submission to SCM, progress report , Practical Completion Certificate	R6 830 328,00	R6 830 328,00	N/A	R6 830 328,00	N/A	N/A	Rehabilitated 5.2 kms of Mbongwana via Dotye to Greenville Hospital Access Road with 500m concrete slab by June 2024	Rehabilitated 5,2km Mbonwana to Greenville AR with 500m concrete slab. Practical Completion achieved on 28 June 2024	R10 602 696,34	Achieved	N/A	N/A	N/A



BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					877 kms in place	Construction of 3,5Km of Bhukveni to Ntshikintshane access road with 500m Concrete Slab	Number of Kms constructed from Bhukveni to Ntshikintshane access road with Concrete Slab	1.1.10	0,5	proof of submission to SCM, progress report , Practical Completion Certificate	2 433 776,00	R2 737 156,00	303 380,00	2 433 776,00	N/A	N/A	Constructed 3.5km Bhukveni to Ntshikintshane AR with 500m concrete slab. Practical Completion achieved on 31 May 2024	Constructed 3,5 km Bhukveni AR with 500m concrete slab. Practical Completion achieved on 31 May 2024	R2 636 070,55	Achieved	N/A	N/A	N/A
					877 kms in place	Rehabilitation of 3.8Km of Mgomazi Access Road	Number of kms rehabilitated from Mgomazi access road.	1.1.11	0,5	Practical Completion Certificate	R 800 840,00	576 110,00	N/A	576 110,00	Rehabilitated 2,5km of Mgomazi access road by June 2023	Rehabilitated 0km of Mgomazi access road, however 2,5Km access road is still under construction, concrete slab in	Rehabilitated 3.8km Mgomazi AR by June 2024	Rehabilitated 3.8km Mgomazi AR.	R287 2881,24	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																progress.							
					877 kms in place	Rehabilitation of 2.1Km Luphondweni Access Road with 200 concrete slab	Number of kms rehabilitated from Luphondweni	1.1.12	0,5	Practical Completion Certificate	R 113 158,00	R -	N/A	R 113 158,00	Rehabilitated 2,5km of Luphondweni access road by June 2023.	Rehabilitated 0km of Luphondweni access road, however 2,5Km access road is still under construction, only concrete slab left.	Rehabilitated 2.1km Luphondweni AR with 200m concrete slab by June 2024	Rehabilitated 2.2km Luphondweni AR with 200m concrete slab.	R34 525,62	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					877 kms in place	Rehabilitation of 5km Umhlabi SSS Langalathu to Dotye access road	Number of kms rehabilitated from Umhlabi SSS Langalathu to Dotye access road	1.1.13	0,5	Progress report, Practical Completion Certificate	2 337 792,00	2 337 792,00	N/A	2 337 792,00	Rehabilitated 5km of Umhlabi SSS Langalathu-Dotye access road by June 2023.	Rehabilitated 5km of Umhlabi SSS Langalathu-Dotye access road, however 5Km access road is still under construction.	Rehabilitated 5km of Umhlabi SSS Langalathu to Dotye AR by June 2024	Rehabilitated 5km of Umhlabi SSS Langalathu to Dotye AR.	R2 902 938,13	Achieved	N/A	N/A	N/A
					877 kms in place	Rehabilitation of 8km of Ntamo nde access road	Number of kms rehabilitated from Ntamo nde access road	1.1.14	0,5	Practical Completion Certificate	R851 490,00	R851 490,00	N/A	R851 490,00	Rehabilitated 8km of Ntamo nde gravel access road by June 2023.	Rehabilitated 8km of Ntamo nde gravel access road, however 8km access road is still under construction.	Rehabilitated 8km of Ntamo nde AR by June 2024	Rehabilitated 8km of Ntamo nde AR.	R352 671,70	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																											
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action				
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved							
					877 kms in place	Rehabilitation of 6km of Mgodini to Mcijweni access road	Number of kms rehabilitated from Mgodini to Mcijweni access road	1.1.15	0,5	Practical Completion Certificate	R1 063 098,00	1 063 098,00	N/A	1 063 098,00	Rehabilitated 6km of Mgodini access road by June 2023.	Rehabilitated 0Km of Mgodini gravel access road, however 6Km access road is under construction.	Rehabilitated 6km of Mgodini to Mcijweni AR by June 2024	Rehabilitated 7km of Mgodini to Mcijweni AR.	R980 228,17	Achieved	N/A	N/A	N/A				
					877 kms in place	Rehabilitation of 4,4km with 600m concrete slab of Khaleni access road	Percentage of roadbed towards completion of Khaleni access road	1.1.16	0,5	Progress report	R0,00	R3 769 565,00	N/A	R3 769 565,00	N/A	N/A	100% Roadbed towards completion of 4,4km with 600m concrete slab of Khaleni access road by June 2024	100% Roadbed towards completion of 4,4km with 600m concrete slab of Khaleni access road completed.	R2 521 894,57	Achieved	N/A	N/A	N/A				
					877 kms	Rehabilitation of 5km Ndayin	Percentage of roadbed	1.1.17	0,5	Progress report	R0,00	R4 131 305,00	N/A	R4 131 305,00	N/A	N/A	100% Roadbed toward	100% Roadbed toward	R2 855 550,62	Achieved	N/A	N/A	N/A				

BSD (Engineering Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
					in place	access road with 500m concrete slab	d towards completion of Ndayini access road											s completion of 5km with 500m concrete slab of Ndayini access road by June 2024	ds completion of 5km with 500m concrete slab of Ndayini access road completed.					
					877 kms in place	Rehabilitation of Mntomkhulu to Gxeni 3,2km Access road.	Number of rehabilitated Km Mntomkhulu to Gxeni access road	1.1.18	0,5	Practical completion certificate	R0,00	R2 060 000,00	N/A	2 060 000,00	N/A	N/A		Rehabilitated 3,2km Mntomkhulu to Gxeni access road by June 2024	Rehabilitated 3,2km Mntomkhulu to Gxeni access road. Practical Completion achieved on 27 June 2024	R2 930 181.72	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					877 kms in place	Rehabilitation of 3,2km Ndela to Ward 11 access road with 1 bridge.	Percentage of Roadbed towards completion of 3,2km of Ndela to Ward 11 access road	1.1.19	0,5	Progress report	R0,00	R2 626 957,00	N/A	R2 626 957,00	N/A	N/A	100% Roadbed towards completion of 3,2km of Ndela to Ward 11 access road by June 2024	100% Roadbed towards completion of 3,2km of Ndela to Ward 11 access road completed.	R2 570 527,72	Achieved	N/A	N/A	N/A
					877 kms in place	Rehabilitation of 7km Labane access road with 500m concrete slab	Percentage of roadbed towards completion of 7km with 500m concrete slab of Labane access road	1.1.20	0,5	Progress report	R0,00	R4 367 826,00	N/A	R4 367 826,00	N/A	N/A	100% Roadbed towards completion of 7km with 500m concrete slab of Labane access road by June 2024	100% Roadbed towards completion of 7km with 500m concrete slab of Labane access road	R2 387 227,50	Achieved	N/A	N/A	N/A

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		completed.					
Buildings	Improved access to Basic Services	To construct 1 Early Childhood Development Centre (ECD C) in the villages of Bizana by June 2027	1.2	By constructing 1 Early Childhood Development Centre (ECD C) using services of service providers by June 2024	6 Early Childhood Development Centres	Construction of 1 Early Childhood Development Centre (ECD C) in Ward 13	Number of Early Childhood Development Centres constructed	1.2.1	1	progress report , Practical Completion Certificate	R2 093 572,00	R1 900 267,00	R1 900 267	N/A	1 Early Childhood Development Centre is under construction at Ward 13 by June 2023	1 Early Childhood Development Centre is under construction at Ward 13 and progressing well	1 Ward 13 ECDC constructed by June 2024	1 Ward 13 ECDC constructed.	R2 323 158,16	Achieved	N/A	N/A	N/A
Buildings	Improved access to Basic Services	To complete construction of one Civic Centre in Bizana by end June 2027		By constructing the Civic Centre through the services of the service	MPY C Hall and incomplete Civic centre building	Construction of Mbizana Civic Centre in town	Number of building infrastructure constructed	1.2.2	0,5	Progress report , Practical Completion Certificate	R8 680 328,00	R16 429 253,00	R15 887 283	541 970,00	1 Civic Centre constructed and Completed by June 2023	0 Civic centre constructed and completed, however 1 Civic Centre is under construction.	1 Mbizana civic centre constructed by June 2024	1 Mbizana civic centre construction is complete, outstanding is the delive	R18 835 561,26	Not Achieved	Poor performance by the contractor	Invoke penalties to the contractor	Invoke penalties to the contractor

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
				provided by June 2024																			
	Improved access to Basic Services	To provide sporting facilities for the community by June 2027	1,3	By constructing security fencing around the pitch and running track through the services of service providers by end June 2024.	One sport field in the CBD	Pitch Fencing of Mphuthumi Mafumbath stadium	Number of fenced pitches of Mphuthumi Mafumbath stadium	1.3.1	0,5	Progress Report, practical completion certificate	R4 120 000,00	R6 485 100,00	R6 485 100	N/A	N/A	N/A	1 Fenced pitch of Mphuthumi Mafumbath stadium by June 2024	1 Fenced pitch of Mphuthumi Mafumbath stadium.	R4 863 852,28	Achieved	N/A	N/A	N/A



BSD (Engineering Services)																												
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action					
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved								
EPWP	High unemployment rate	Provide short term EPWP job opportunities to alleviate poverty and unemployment by June 2027	1,4	By facilitating recruitment of EPWP workers in all WMM LM Wards by June 2024	745 EPWP Jobs created	Creating of EPWP Job Opportunities	Number of EPWP Job Opportunities created	1.4.1	0,5	Signed Employment Contracts, Signed Expenditure Report	R3 222 000,00	R7 722 000,00	4 500 000,00	3 042 000,00	292 EPWP Job Opportunities Created by June 2023	292 EPWP Job Opportunities Created done	Create 342 EPWP Job Opportunities and monitor expenditure by June 2024	Create 457 EPWP Job opportunities and monitored Expenditure.	R11 627 191,22	Achieved	N/A	N/A	N/A					
Roads Maintenance	Improved road network in CBD	To routinely maintain in a better standard of our CBD Roads by June 2027	1,5	By appointing service providers to maintain CBD Roads and acquisition of small tools and equipment for maintenance	1950 m² of potholes patched	CBD Road Maintenance	Numbers of square meters of potholes patched at the CBD	1.5.1	0,5	Practical Completion Certificate	R2 533 380,00	R2 533 380,00	R2 533 380,00	N/A	500m² potholes patched at the CBD by June 2023	942m² potholes patched	500m² potholes patched by June 2024	926m² potholes patched	R1 059 603,47	Achieved	N/A	N/A	N/A					

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Road rehabilitation			By June 2024	865 km gravel access roads	Maintenance of gravel access roads	Number of kilometres of gravel access roads maintained	1.5.2	0,5	Completion Certificates	R15 000 000,00	R40 261 432,00	R40 261 432,00	N/A	85km of gravel access roads Maintained by June 2023	105.1km of gravel access road maintained	85km of gravel access roads Maintained by June 2024	201,3 km of gravel access road maintained	R34 646 192,00	Achieved	N/A	Variance due to savings in awarded versus the total budget and two plant hire roads being incomplete.	One plant hire roads project to be terminated due to poor performance. One plant hire project mediation to be concluded to enable works to be completed

BSD (Engineering Services)																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
				June 2024																			
<b>Buildings</b>	Building infrastructure not into accepted standards	To maintain rehabilitate and repair buildings structures and related infrastructure by June 2027	1,6	By employing service providers to maintaining , rehabilitating and repairing municipal buildings and related infrastructure by June 2024	Municipal buildings	Periodic repairs and maintenance of Municipal buildings	Number of municipal buildings periodically repaired and maintained.	1.6.1	0,5	Inspection report , proof of submission to SCM, progress report , practical completion certificate.	R2 887 932,00	R2 887 932,00	R2 887 932,00	N/A	Municipal buildings periodically repaired and maintained by June 2023	0 Municipal buildings repaired and maintained, maintenance and repairs of 1 municipal building is still in progress	2 municipal buildings Periodic repaired and maintained by June 2024	2 municipal buildings Periodic repaired and maintained.	R591 290,29	<b>Achieved</b>	N/A	Savings due to some minor repairs being done in house as other major building repairs could not be undertaken due to tender.	N/A
<b>Electricity</b>	Electrification of rural households	Ensure reliable provision of	1,7	Connect electricity to formal house	42 834 house holds with	Electrification of Lower Etheridge	Number of house holds connected	1.7.1	0,5	progress report , practical	R0,00	R5 035 820,00	N/A	R5 035 820,00	Connected 90 households in	0 households connected, However	Connected and Energized of 180	Connected and Energized 180	R 2 169 964,11	<b>Achieved</b>	N/A	N/A	N/A

BSD (Engineering Services)																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved						
		electricity to house holds by June 2027		holds within the municipal jurisdiction by June 2024	electricity	Village Phase 1 and energized in Lower Etheridge Phase 1			completion certificate.							Lower Etheridge by June 2023	Project is at 70% construction.	house holds in Lower Etheridge phase 1 by June 2024	house holds in Lower Etheridge phase 1							
						Electrification of Lower Etheridge Village Phase 2	1.7.2	0,5	Proof of submission to SCM, attendance register, progress report, and Completion Certificate	R3 302 604,00	R3 023 280,00	N/A	R 3 023 280,00	N/A	N/A	Connected and Energized of 105 house holds in Lower Etheridge phase 2 by June 2024	105 Connected house holds energized house holds at Lower Etheridge Phase 2.	R3 814 728,64	<b>Not Achieved</b>	Project construction was completed in May but Eskom has not yet provided a date for energising	N/A		To engage Eskom to fast track the outage date			
						Electrification of Msarhweni Village Phase 1	1.7.3	0,5	Progress report, attendance register	R3 967 555,00	R3 967 555,00	N/A	R 3 967 555,00	Connected and energized 110 house holds in	0 house holds Connected and Energized, However	Connected and energized 220 house holds in	Connected and energized 220 house holds in	R1 788 313,32	<b>Achieved</b>	N/A	N/A	N/A				

BSD (Engineering Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
						Msarh weni				and Completion Certificate					Msarh weni by June 2023	Project is at 70% construction.	Msarh weni phase 1 by June 2024	Msarh weni Phase 1						
						Electrification of Msarh weni Village Phase 2	Number of house holds connected and energized in Msarh weni	1.7.4	0,5	Proof of submission to SCM, attendance register, progress report, and Completion Certificate	R2 831 304,00	R1 480 730,00	N/A	R1 480 730,00	N/A	N/A	Connected and energized 90 house holds in Msarh weni phase 2 by June 2024	60 House holds connected and 0 house holds energized at Msarh weni Phase 2. Project complete awaiting to be energized by Eskom.	R3 414 144,08	<b>Not Achieved</b>	Project construction was completed for 60 house holds in May but Eskom has not yet provided a date for energising.	It was noted at project completion that only quantities for 60 households were included in the tendered BOQ. A scope addition request was submitted	To engage Eskom to fast-track the outage date. The work of the remaining house holds will be included in future projects for Eskom electrification in the area	





BSD (Engineering Services)																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved					
										and Completion Certificate						June 2023	excavation, planting and stringing for 67 Households at 100%.								
						Electrification of Nomlaku Village Phase 2	Number of house holds connected and energized in Nomlaku	1.7.7	0.5	Proof of submission to SCM, attendance register, progress report and Completion Certificate	R5 974 776,00	R6 720 995,00	N/A	R 6 720 995,00	N/A	N/A	Connected and energized of 191 house holds (phase 2) in Nomlaku by June 2024	191 House holds connected and 0 house holds energized. Project complete awaiting to be energised by Eskom.	R6 374 331,80	<b>Not Achieved</b>	Project construction was completed in May but Eskom has not yet provided a date for energising	N/A	To engage Eskom to fast track the outage date		
	Low Voltage lines	Have a conductive	1,8	Installation of 35mm	5 KM of Low Voltage	Low Voltage lines and	Number of LV lines	1.8.1	0,5	progress report	R3 000 000,00	R3 500 000,00	R3 500 000,00	N/A	2 KM of Low Voltage	0Km of LV lines upgrade d,	2KM of Low Voltage lines	9,9km of LV lines and	R3 483 874,40	<b>Achieved</b>	There was a misalignme	Savings were incur	The contractor has		



BSD (Engineering Services)																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
	upgrade	and safe electricity network by June 2027		, 4 core Aerial Bundles conductors by June 2024	ge lines upgraded in town	poles Upgraded in ward 1.	and poles upgraded			completion certificate.						e lines upgraded by June 2023	However Contractor has been appointed and project handed over done.	and poles upgraded in ward 1 by June 2024	poles upgraded in ward 1.			nt between the planning document and certain items within the tendered BOQ	red as some of the schedule items reflected a scope of 11km whereas only 9,868km could be done given the over all items in the BOQ	been paid according to actual work done
	Maintenance of Electricity Infrastructure	Reduce technical losses and have reliable, safe distribution network	1,9	Replacement of damaged and faulty electricity infrastructure by	Five vandalised meter kiosks and 22 meters replaced.	Replacement of damaged and faulty electricity infrastructure	Number of damaged and faulty infrastructure replaced	1,9	0,5	Proof of submission to SCM, attendance register, program	R3 940 908,00	R299 998,00	R299 998,00	N/A	N/A	N/A	Replaced 3 kiosks and 10-meter boxes in town by	0 kiosk and 0-meter boxes replaced in town.	R0,00	Not Achieved :	Service provider not yet appointed to undertake the works	N/A	Fast tracking the appointment of the service provider to ensure	

BSD (Engineering Services)																													
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget variance	Remedial Action						
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved									
		Completed by June 2027		June 2024						Final report and Completion Certificate							June 2024.									The 14 day intention to award was issued on 21 May 2024 but the service provider has not yet been appointed.			Completion of set targets

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
Free basic services	High % of indigent households	To ensure Saudization of poor households in order to receive basic services by 2027	1,10	By subsidizing 100% qualifying beneficiaries with free grid electricity by June 2024	Subsidized 4000 qualifying beneficiaries with FBE	Subsidized 100% of beneficiaries that claimed free grid electricity	% of subsidized beneficiaries that claimed free grid electricity	1.1 0.1	0,5	Beneficiary lists, Monthly Reports & Invoices	R4 800 000,00	R4 800 000,00	R4 800 000,00	N/A	By providing 4000 beneficiaries with free grid electricity & 2646 FBAE by June 2023	Provided 4216 Beneficiaries with free grid electricity and 2646 FBAE beneficiaries by June 2023.	Subsidized 100% of beneficiaries that claimed free grid electricity by June 2024	Subsidized 100% of beneficiaries that claimed grid electricity	R4 138 093,69	Achieved	N/A	N/A	N/A
				By subsidizing 100% qualifying beneficiaries with FBAE by June 2024	Subsidized 2646 qualifying beneficiaries with FBAE	100% of subsidized beneficiaries that claimed free FBAE	% of subsidized beneficiaries that claimed free FBAE	1.1 0.2	0,5	Beneficiary lists, Monthly Reports	R4 188 000,00	R1 628 000,00	R1 628 000,00	N/A	By providing 4000 beneficiaries with free grid electricity & 2646 FBAE by June 2023	Provided 4216 Beneficiaries with free grid electricity and 2646 FBAE beneficiaries by June 2023.	100% of subsidized beneficiaries that claimed free FBAE by June 2024.	Subsidized 100% of beneficiaries that claimed in ward 5. The target was achieved through the intervention of service provider appointed to install new solars by DMRE. .	R0,00	Achieved	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				By facilitating processes of applications for review of indigent register by June 2024	Adopted credible indigent register	Review and adoption of credible indigent register	Number of Reviewed and adopted credible indigent register	1.1 0.3	0.5	12 Monthly reports, Adopted credible indigent register & Council resolution	R499 992.00	R499 992.00	R499 992.00	N/A	1 Reviewed and adopted credible indigent register by June 2023	Conducted 32 Stakeholder engagement sessions, Collection of data in all 32 wards and verification was done in all 32 wards, and the Register was adopted by Council on 27 June 2023.	1 Reviewed and adopted credible indigent register by June 2024	Indigent Register was reviewed and adopted by the Council on the 27 June 2024	R0,00	Achieved	N/A	N/A	N/A
				By conducting 8 awareness campaigns to assist processes of applications	Conducted 4 indigent awareness campaigns	Conduct Indigent awareness campaigns	Number of indigent awareness campaigns conducted	1.1 0.4	0,2 5	8 Awareness campaigns report & 8 attendance registers	R513 800,00	R513 800,00	R513 800,00	N/A	4 indigent awareness campaigns conducted by	Conducted 4 indigent awareness campaigns on the 06th September 2022 at	Conduct 08 indigent awareness campaigns by June 2024	Conducted 10 Indigent Awareness Campaigns 1. Ward 01 at Roman Catholic Church	R161 660.00	Achieved	N/A	N/A	N/A

Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
				for review of indigent register by June 2024												June 2023	Oliver and Adelaide Tambo Regional Hospital, 6th December 2022 at Zikhuba Community Hall, 14th March 2023 at ward 09 Inkosi Gcinisizwe Community Hall and on the 23rd of May 2023 at Dangezi Village.		on the 16 August 2023 2.12 September 2023 at Ward 12 at Amandela Great Place 3.02 October 2023 at Ward 06 at Ntshama the Community Hall 4.31 October 2023 Ward 23 Community Hall 5.30 November 2023 at Ward 16 AFM Church Hall 6.10 January 2024 at Ward 01 at Anglican Church							











Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																			Ward 23 on the 16th June structural fire, Ward 18 on the 16th June Structural fire, 18 June in Ward 15 structural fire, Ward 15 structural fire on the 23 June and MVA in ward 20.							
					conducted 04 disaster awareness campaigns	conducted 8 disaster awareness campaigns	Number of disaster awareness campaigns conducted	1.1 1.2	0.2 5	8 Awareness campaigns report & 8 attendance registers	R642 264,00	R642 264,00	R642 264,00	N/A	4 Disaster & 2 social services awareness campaigns conducted by June 2023	Conducted 4 Disaster awareness in Ward 04 28th September 2022 in Ward 04 SizuluTambo Commu	Conducted 8 disaster awareness campaigns by June 2024	Conducted 09 Disaster Awareness Campaigns as follows 1. 11 September at Isikelo Traditional Authority ward 31	R93 800,00	Achieved	N/A	N/A	N/A			



Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	September 2022 in Ward 01 M.P.Y.C and on the 06 June 2023 in Ward 06 Amants hangase Village.		on the 21 February 24 7.22 February 24 at Embiba Village ward 3 8. Isithukut hezi Community Hall ward 3 on the 15 May 24 9. Khanyisani JPS Ward 18 on the 5 June 24.							
					New project	Coordinate and facilitate 4 Disaster Advisory Forum Meetings	Number of Disaster Advisory Forum Meetings	1.1 1.3	0,2 5	Advisory Forum Reports and Attendance registers	R0,00	R0,00	N/A	N/A	N/A	N/A	Coordinate and Facilitate 4 Disaster Advisory Forum Meetings by June 2024	Coordinate and facilitated 4 Advisory Forum Meetings 1. 19 June 2024 2.6 March 2024 3. 30 August	R0,00	Achieved	N/A	N/A	N/A			

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																		2023 4.8 December 2023					
Recreational facilities	Adhoc operation management of community facilities	To provide sustainable services of municipal facilities to the communities by June 2027.	1,12	By managing proper functioning of municipal facilities by June 2024	Operated, Maintained & Equipped 38 municipal public facilities	Operate, Maintain & Equip 38 municipal public facilities	Number of municipal public facilities operated, maintained & equipped	1.1 2.1	0,5	12 Monthly progress reports and 12 monthly checklist, 2 Order form, 2 appointment letters/ 2 issue registers	R321 744,00	R811 744,00	R811 744,00	N/A	Operated, maintained and equipped 36 Municipal facilities by June 2023	Operated 36 recreational facilities, Maintained 36 recreational facilities and equipped 36 Municipal facilities	38 municipal public facilities operated, maintained and equipped by June 2024	38 Municipal facilities maintained through cleaning and grass cutting & operated through bookings by EPWP personnel.	R476 519.05	Achieved	N/A	N/A	N/A
				By providing PPE to employees by June 2024	Provided PPE to 70 beneficiaries	Provision of PPE to 80 Employees	Number of employees provided with Protective Clothing	1.1 2.2	0,2 5	Appointment letter, order, Issue registers.	R149 992,00	R149 992,00	R149 992,00	N/A	Provided protective clothing to 70 employees by June 2023.	Provided protective clothing to 70 employees	Provide Protective Clothing to 80 employees by June 2024	Provided Protective Clothing to 80 employees	R121 889.00	Achieved	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				By facilitating paving of 1 public facilities by June 2024	New project	Paving of 1 public facilities	Number of public facilities Paved and landscaped	1.1 2.3	0.5	Appointment letter, progress / completion certificate.	R770 304,00	R770 304,00	R770 304,00	N/A	2 recreational facilities fenced by June 2023	Fenced 2 recreational facilities in Ward 07 Mzamba Community Hall and in Ward 08 Extension fencing of Dudumeni Community Hall.	1 Paved and landscaped public facility in ward 04 by June 2024	0 paved and landscaped public facility. Service provider was appointed in June 2024. Project expected to be completed in the next 3 months	R0,00	Not Achieved	The appointment of service provider was concluded later than anticipated	N/A	The project is expected to be completed in quarter 1 of 2024/25FY.
Library services	High rate of illiteracy	To facilitate provision of library services to Mbizana Communities by June 2027	1,13	By instilling a culture of reading and lifelong learning by June 2024	Conducted 08 library awareness campaigns	Conduct 08 library awareness campaigns	Number of library awareness campaigns conducted.	1.1 3.1	0,2 5	08 Awareness campaigns report & 08 attendance registers.	440 532,00	R640 532,00	R640 532,00	N/A	8 library awareness campaigns conducted by June 2023.	Conducted 8 library awareness campaigns at Dudumeni Hall (ward 8) on the 25 Aug 2022, Nkantolo Commu	Conduct 08 library awareness campaigns by June 2024	Conducted 09 Library Awareness Campaigns 1. 08 September 2023 at Cedarville Umzingisi Community Hall	R194 820,00	Achieved	N/A	N/A	N/A







Community Services																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance.	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
					Supplied 3000 periodicals	supply of periodicals	Number of periodicals supplied.	1.1 3.3	0,2 5	Periodical register	R99 996,00	R99 996,00	R99 996,00	N/A	N/A	3000 periodicals supplied by June 2023	3368 periodicals supplied and delivered to main library	Supply 2800 periodicals by June 2024	Supplied 3183 periodicals	R99 964.00	Achieved	N/A	N/A	N/A
Environmental Management	Inadequate legal environmental tools required	To ensure conservation and management of natural resources for sustainable use by June 2027	1,14	By implementing environmental management tools (climate change strategy), conducting coastal committee meetings, and conduct environmental awareness campai	Reviewed, adopted Climate Change Strategy	Implementation of climate change	Number of programs conducted towards implementation of climate change strategy	1.1 4.1	0,5	4 Reports and 4 Attendance Register	R232 984,00	R84 804,00	R84 804,00	N/A	N/A	N/A	4 climate change programmes conducted by June 2024	Conducted 4 Climate Change programmes. 1. At Ntlezi Tribal Authority on the 19 July 2023. 2. At Amangut yana Tribal authority on the 26 October 2023. 3. At Amampisi Tribal Authority on the 28 February 2024. 4. At	R30 926,00	Achieved	N/A	N/A	N/A	









Community Services																												
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action					
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved								
																	material in the form of signboards	June 2024.										
Parks, Cemetery Municipal facilities	Irregular maintenance of Parks, Management of Cemetery & other Municipal facilities.	To provide sustainable services of Parks, Cemeteries and municipal facilities by 2027	1,15	By providing grass cutting machines and accessories, maintenance of garden power tools, maintaining proper functioning of cemetery, parks and municipal facilities by June 2024	Operated Cemetery, Maintained Parks and Municipal facilities,	Maintained of cemetery, nurseries, parks and municipal facilities	Number of cemeteries, nurseries, parks and municipal facilities maintained and managed	1.1 5.1	0,5	Appointment letter/Order & Delivery Note, maintenance Report	R252 588,00	R252 588,00	R252 588,00	N/A	Maintained 1 Cemetery, 2 nurseries, 1 Park and Municipal facilities by June 2023	Maintained 1 Cemetery, 2 nurseries, 1 Park and Municipal facilities	Maintain & managed 2 Cemeteries, 4 Parks, 2 nurseries and maintained 20 Municipal facilities	Maintained & managed 2 Cemeteries, 4 Parks, 2 nurseries and maintained 20 Municipal facilities	R214 235,60	Achieved	N/A	N/A	N/A					
					purchased 5 grass cutting machines with accessories and maintain 5 garden	purchasing of grass cutting machines and accessories and maintenance of garden	Number of grass cutting machines and accessories purchased and Number of mainta	1.1 5.2	0,2 5	12 Progress Reports and Delivery notes	R419 244,00	R469 244,00	R469 244,00	N/A	Purchased 5 grass cutting machines with accessories and 30 maintained garde	Purchased 4 grass cutting machines and maintained 30 garden power tools	Purchase 5 grass cutting machines and accessories, maintain 30 garden power tools	Purchased 5 grass cutting machines and accessories, maintain 30 garden power tools	R265 576,00	Achieved	N/A	N/A	N/A					

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
					n tools.	power tools	ined garden power tools.									n power tools by June 2023			by June 2024				
Waste management	Poor provision measures to remediate contaminated land.	To ensure proper disposal of waste by June 2027	1,16	By rehabilitating contaminated land for disposal at EXT 3 dumping site by June 2024	12 routine rehabilitation & maintenance of EXT 03 dumping site	Routine rehabilitation & maintenance of EXT 03 dumping site	Number of routine rehabilitation & maintenance of EXT3 dumping site	1.1	0,5	12 Progress Reports	R1 500 000,00	R3 000 000,00	R3 000 000,00	N/A	12 Routine rehabilitation of EXT 3 dumping site by June 2023	12 routine rehabilitation of EXT 3 dumping site were done.	12 routine rehabilitation & maintenance of EXT 3 dumping site by June 2024	12 routine rehabilitation & maintenance of EXT 3 dumping site was done.	R2 524 072,91	Achieved	N/A	N/A	N/A
								1.1	0,2	1 Appointment letter 1 Approved financial projections & rehabilitation plan Report	R399 996,00	R256 996,00	R256 996,00	N/A	1 Financial projection report compiled by June 2023	Compiled 1 Financial projection report.	1 Financial projections & rehabilitation plan report compiled by June 2024	1 Financial projections & rehabilitation plan Report was compiled	R179 506,00	Achieved	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
					New project	Environmental Impact Assessment for disposal site.	Number of EIA conducted	1.1 6.3	0,2 5	3 Monthly reports	R499 992,00	R499 992,00	R499 992,00	N/A	N/A	N/A	Conduct 1 Environmental Impact Assessment for Disposal site by June 2024.	1 Environmental Impact Assessment for Disposal site conducted.	R723 490,00	Achieved	N/A	N/A	N/A
	Inadequate, compliant landfills which hinders safe disposal of all waste streams.	To establish effective compliance with Waste Act by June 2027		By constructing a licensed landfill site by June 2027. By submitting IWMP implementation report by June 2024	Abandoned site	Construction of EXT. 3 landfill site	Number of dumpsite fenced	1.1 6.4	0,5	completion certificate	R16 271 040,00	R7 575 390,00	R7 575 390,00	N/A	Advertisement for fencing of Majazi Landfill site & Environmental Consultants. Appointment of consultant for preliminary designs and development	Advertisement for fencing of Majazi Landfill site & Environmental Consultants (Panel of Consultants). Appointed a consultant to oversee planning (designs and tender documents)	01 EXT.3 Dump site fenced by June 2024.	0 Ext dumpsite fenced. However, 1km fence installed Slab for guardhouse installed	R2 525 136,98	Not Achieved	Delays caused by suppliers of fencing material delayed completion of fence.	N/A	Complete fencing in Q1





Community Services																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved					
	ce of living in a healthy environment.	June 2027.		waste education programmes, conducting awareness campaigns, and clean up	50 waste receptacles were installed, provided PPE to 215 beneficiaries											waste receptacles installed in the CBD by June 2023	receptacles installed in the CBD and issued out 100 wheelie bins	June 2024							
				campaigns for proper waste delivery, by conducting waste management committee meetings to ensure transparency and effective waste delivery by June 2024.	conducted 6 waste management awareness campaigns	conduct waste management awareness campaigns,	Number of awareness campaigns conducted	1.1 6.7	0.2 5	8 Awareness campaigns report & 8 attendance registers	R428 616,00	R418 616,00	R418 616,00	N/A	8 waste management awareness campaigns conducted by June 2023	Conducted 8 waste management awareness campaigns on the 29th July 2022 at Ward 13, 18 & 20, on the 1st September 2022 at Multi-Purpose Youth Centre (Ward 1), 16th	Conduct 8 waste management awareness campaigns by June 2024	Conducted 10 waste management awareness campaigns. 1. On the 1st September 2023 at Ward 1 & 7. 2. On the 26 September 2023 at Ward 32 Mjanyelwa JSS. 3. On the 11 October 2023 at	R126 471,35	Achieved	N/A	N/A	N/A		



Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	May 2023 at Ngcingo Community Hall (Ward 13), on the 9th June 2023 at Zikhuba and Ebenezzer Halls (Ward 23 & 24)		the 23rd of May 2024 at Nomlacu Taxi Rank. 10. On the 24th of May 2024 at EXT 2 and behind Cultural Village.							
					Conducted 4 waste management committee meetings.	conduct waste management committee meetings	Number of waste management committee meetings conducted	1.1 6.8	0,2 5	4 progress Reports and 4 attendance Registers	R99 996,00	R99 996,00	R99 996,00	N/A	4 waste management committee meetings conducted by June 2023	Conducted 4 waste management committee meetings on the 14th September 2022 at Council Chamber, on the 29th November 2022 at Council	Conducted 4 waste management committee meetings by June 2024.	Conducted 4 waste management committee meetings 1. On the 31st August 2023 at Hluma Lodge. 2. On the 6th of December 2023 at WMMLM	R30 370,00	Achieved	N/A	N/A	N/A			

Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	Chamber, on the 17th March 2023 at WMML M(Council Chamber), on the 11th May 2023 at Mbizana Library.		Council Chamber. 3. On the 12 March 2024. 4. On the 22nd of May 2024 at Council Chamber							
	Limited understanding amongst communities about the concept of recycling by June 2027.			By growing the contribution of the waste sector to green economy through encouragement of recycling by June 2024	Supported 2 waste minimisation projects.	Provide support to waste minimisation projects.	Number of waste minimization programs supported	1.1 6.9	0,2 5	2 progress Reports	R0,00	R0,00	N/A	N/A	N/A	N/A	Provided support to 2 waste minimisation projects by June 2024.	Provided support to 2 waste minimisation projects 1. 25 March 2024 at Ward1 2. 13 & 32 and on the 23rd of April 2024(visited Use-it Waste Beneficiation Centre in	R0,00	Achieved	N/A	N/A	N/A			

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
																		eThekweni Municipality)					
	Limited vehicles/fleet to facilitate /undertake waste collection duties.	To ensure that there is enough fleet to achieve an integrated waste management by June 2027.		By increasing waste collection fleet for effective waste service delivery by June 2024.	3 Compactor trucks, 2 mini-trucks, 1 skip loader, 1 tractor	Purchase 1 waste management truck and 1 Skip loader truck and 2 bakkies	Number of municipal vehicles purchased	1.1 6.1 0	0,2 5	Delivery Note	R3 478 260,00	R3 478 260,00	R3 478 260,00	N/A	1 refuse bakkie purchased by June 2023	Purchased 1 refuse bakkie	Purchased 1 waste management truck, 1 skip loader truck and 2 Bakkies by June 2024	Purchased 1 waste management truck Purchased 1 skip loader truck 0 Bakkies purchased	R2 288 396,24	Not Achieved	Segment was for Refuse Trucks and not adjusted to accommodate purchasing of 2 bakkies.	N/A	Allocate budget for 2 bakkies during budget adjustment for 24/25 FY
	Historical backlog, inadequate delivery of waste services in more remote areas.	To ensure that more remote areas receive waste service by June 2027		By extending waste collection services to unserved areas and manage illegal dumping by	Extended waste management services to 24 rural areas, and attend to illegal dumping	Provide waste management services to rural areas.	Number of rural areas provided for waste management services	1.1 6.1 1	0,2 5	12 monthly reports	R556 868,00	R121 868,00	R121 868,00	N/A	15 rural areas provided waste management services by June 2023.	Provided waste management service to 24 rural areas.	Provided waste management services to 30 rural areas by June 2024.	Provided waste management services to 35 rural areas	R676 726,09	Achieved	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				June 2027. By recording number of serviced households and businesses by June 2024	along R61.																		
	Inadequate delivery of waste service	To ensure proper collection and storage of waste by June 2027.		By providing bulk waste receptacles for communal collection points by June 2024	Provided service 30 skip bins	Purchase of skip bins.	Number of skip bins provided.	1.1 6.1 2	0.2 5	Delivery note, report	R304 348,00	R347 824,00	R347 824,00	N/A	Provided 5 skip bins in the CBD by June 2023	5 skip bins were provided in the CBD.	Provided 10 skip bins in CBD and along R61 by June 2024.	10 Skip bins provided in CBD and along R61	R369 500,00	<b>Achieved</b>	N/A	N/A	N/A
	Inadequate delivery of waste service and Limited			By providing PPE to employees by	Provided PPE to 215 beneficiaries	Provision of PPE to Employees	Number of employees provided with Protect	1.1 6.1 3	0.2 5	Appointment letter, Delivery Note, Issue	R999 996,00	R1 334 996,00	R1 334 996,00	N/A	Provided Protective Clothing to 41	Provided protective clothing to 41 employ	Provided PPE to 227 employees by	Provided PPE to 289 employees	R738 657,50	<b>Achieved</b>	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
	knowledge to communities about the importance of living in a healthy environment.			June 2024			ive Clothing			registers					employees and 170 EPWP employees by June 2023.	ees and 174 EPWP employees	June 2024						
Security Services	To comply with Municipal Systems Act of 2000.	To ensure all Municipal key points, assist and resources are safe by June 2027.	1,17	Visibility of Security personnel, installation of CCTV Cameras, providing security equipment, by providing Protective clothing to 48 employees by	44 private security personnel	Provision of security services to all Municipal Sites	Number of security personnel safeguarding municipal sites	1.1 7.1	0,5	Signed SLA & Monthly monitoring reports	R9 506 760,00	R10 006 760,00	R10 006 760,00	N/A	Provision of 48 security personnel to safeguard 15 sites by June 2023	48 security personnel have been provided to safeguard 15 Municipal sites.	48 Security personnel have been provided to safeguard 15 Municipal sites by June 2024	48 security personnel have been provided to safeguard 15 Municipal sites.	R27,820 800,00	Achieved	N/A	N/A	N/A
					11 glock 19, 10 firearm cleaning kit and 4 breathalyser	Provision of security equipment	Number of Security equipment	1.1 7.2	0,25	Delivery note	R173 904,00	R173 904,00	R173 904,00	N/A	Purchased 10 glock 19 firearms	10 glock 19 firearms were purchased and confirmation of ownership has	12 Purchased security equipment (Firearm safes) by	Purchase of 12 security equipment (Firearm safes) has	R170 000,00	Achieved	N/A	N/A	N/A



Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
				June 2024	alcohol												been issued to the Municipality.	June 2024	been done.							
					Functional CCTV Cameras, robots and calibration of machinery	Maintenance of robots, CCTV Cameras and calibration of machine,	Percentage of maintenance done for robots, CCTV Cameras and calibration of machine,	1.17.3	0,25	Completion Certificate	R471 144,00	R971 144,00	R971 144,00	N/A	100% Maintained robots and CCTV cameras once a year and calibrated machine once a year by June 2023	The project was advertised for the fourth time and we are waiting for the seating of adjudication committee.	Maintained 100% robots, CCTV cameras and calibration of machine by June 2024	100% maintenance of robots has been done. 100% Calibration of speed machine has been done. 0% maintenance of cctv cameras	R2 032 597,10	Not achieved	CCTV Camera maintenance was advertised three times because of non-responsiveness service providers. The fourth advert closed in June 2024.	N/A	CCTV maintenance has been re-advertised closed on the 17th of June 2024. A speedy sitting of evaluation committee will be facilitated			

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
					48 personnel receiving PPE.	supply of protective clothing to employees	Number of employees supplied with protective clothing,	1.1 7.4	0,2 5	Appointment letter, Issue register & Completion certificate	R525 996,00	R525 996,00	R525 996,00	N/A	Supplied protective clothing to 48 employees by June 2023	Protective clothing for 48 employees was purchased and issued	Supply 48 employees with protective clothing by June 2024	53 employees were supplied by protective clothing	R535 890,00	Achieved	N/A	N/A	N/A
Traffic services	Road users disobeying rules of the road that contributed to road carnage and we need to ensure compliance to the NRTA 93196 and Mbizana Municipal By-laws and Lack for education	To ensure consistent safety of road users by June 2027	1,18	By ensuring General law enforcement, provision of equipment, vehicles & resources, improve road signage, by facilitating pay parking metres and traffic management	1627 Traffic fines issued	Issuing of traffic fines	Number of traffic fines issued,	1.1 8.1	0,5	List of traffic issued	R0,00	R0,00	N/A	N/A	1500 traffic fines issued , 20 road blocks conducted by June 2023	1942 Traffic fines issued and 20 road blocks conducted in the following : 8June 2023 at Nomlacu R61, 01 May 2023 at Magusheni bus Stop R61, 11 April 2023 at Masimini R61 , 04 April 2023 at	1500 traffic fines issued by June 2024	2055 traffic fines issued	N/A	Achieved	N/A	N/A	N/A
					20 road blocks conducted	conduction of road blocks,	Number of Road blocks conducted	1.1 8.2	0,2 5	Road block authorisation from SAPS	R0,00	R0,00	N/A	N/A			20 road blocks conducted by June 2024	23 roadblocks conducted as follows 27/07/2023 Magusheni R61 ,18/08/2023 Masimini R61 , 24/08/2023 Mzamba R61 ,	N/A	Achieved	N/A	N/A	N/A







Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
					markings		markings									road marking paint and signs and 8 road signs erected signs June 2023	road signs purchased and 8 road signs erected	sed, renewals of 33 kilometres of road markings by June 2024	47,9km Road markings renewed							
					11 glock 19,10 firearm cleaning kit and 04 breathalyser alcohol	Purchase of equipment and consumables	Number of Purchased equipment and consumables	1.1 8.4	0,2 5	Appointment letter & Delivery note	R167 520,00	R1 167 520,00	R1 167 520,00	N/A	Purchased 05 Rechargeable Torches, 200 rounds for handgun, 200 rounds for handgun, 200 rounds for rifle, 3000 rubber bullets, 50 pepper sprays, 25 hand	05 Rechargeable Torches, 200 rounds for handgun, 200 rounds for rifle, 3000 rubber bullets, 50 pepper sprays, 25 hand cuffs and 50 traffic cones were	Purchased equipment and consumables Purchased Of 7000 ammunition, 50 blood kit and 50 traffic cones. by June 2024	Purchased of 7000 ammunition, 50 blood kit and 50 touches.	R182 500,00	Achieved	N/A	N/A	N/A			

Community Services																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
																cuffs and 50 traffic cones by June 2023	purchased and received.								
					Law enforcement vehicles	Purchase law enforcement bakkies	Number of Law enforcement vehicles purchased	1.1 8.5	0.2 5	Delivery note				N/A	N/A	N/A	Purchased 2 Law enforcement vehicles by June 2024	2 law enforcement vehicles purchased and delivered	R1,38 8544,43	<b>Achieved</b>	N/A	N/A	N/A		
				By Facilitating community education programs by June 2024	4 Community safety awareness campaigns conducted	Conduct Community Safety Awareness campaigns	Number of community safety awareness campaigns conducted.	1.1 8.6	0,5	Community safety Awareness campaign reports & attendance registers.	R335 040,00	R335 040,00	R335 040,00	N/A	4 community safety awareness campaigns conducted by June 2023	4 community safety awareness campaigns conducted on the 01 June 2023 at Wild Coast Sun. 08 June 2023 at Nomlacu R61 (Road block,	4 community safety awareness campaigns conducted by June 2024	4 community safety awareness campaigns conducted as follows 1. Roadblock on the 21st November R61ward 1, 2.08/12/2023 ward 1 open	R289 890,00	<b>Achieved</b>	N/A	N/A	N/A		

Community Services																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	08 December 2022 next Cultural Village and 08 December 2022 at Masimini R61 (Road block).		Sports ground community safety awareness, 3. 19/06/2024 Masimini R61 in a form of roadblock 4. 20/06/2024 in Oliver and Adelaide Tambo Memorial Hospital Hall.							
Driving Licence Testing Centre	Unlicensed motor vehicles on the road contributed to road carnage and we need	To ensure consistent safety of road users by June 2027	1,19	Registration and licencing of motor vehicle by June 2024	540 of registration and licencing of motor vehicles	Registration and licencing of vehicles	Number of registration and licencing of vehicles	1.19.1	0,5	List of registered and licenced motor vehicles from Natis system (RD 323)	R0,00	R0,00	N/A	N/A	3000 vehicles registered and licensed by June 2023	8972 vehicles registered and licensed by 2022/23 Financial Year	3500 Vehicles Registered and Licensed by June 2024	8190 licensed and registered vehicles	N/A	Achieved	N/A	N/A	N/A			



Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
	to ensure compliance to the NRTA 93/96.			application of learner's licence, driving licence and PrDPs,	1500 learners' licence, 480 driving licence and PrDPs	Learners' licence, application for learner's licence, driving licence and PrDPs issued	Number of learner's licence, driving licence and PrDPs issued	1.1 9.2	0.2 5	List of learner's licence, Application learners licence application, driving licence and PrDPs from Natis system (RD 323)	R0,00	R0,00	N/A	N/A	240 learners' licence, 500 learners' license application, 2500 driving licence and 500 PrDPs by June 2023	715 learner's licence, 2388 learner's license application, 6611 driving licence and 1070 PrDPs by June 2023	240 learners' licence, issued 500 learners' license application, 2500 driving licence and 500 PrDPs by June 2024	2411 learners' licenses applications, 927 Learners license issued, 954 driving licenses Applicants 1728 driving licenses issued and Temporal license 955 PrDPs applications has been processed.	N/A	Achieved	N/A	N/A	N/A
				By facilitating processes of purchasing stationery by June 2024	1000 face value documents	supply of DLTC stationery	Percentage of required DLTC stationery supplied	1.1 9.3	0.2 5	Delivery note	R600 000,00	R600 000,00	R600 000,00	N/A	DLTC Stationery supplied by June 2023	DLTC Stationery Purchased and delivered	Supplied 100% of DLTC stationery required by June 2024	DLTC Stationery has been purchased and delivered.	R 577,93 1.39	Achieved	N/A	N/A	N/A

Community Services																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
Pound	Control of stray animals as per traffic NRTA 93 of 96	control of stray animals within CBD, communities and public roads by June 2027	1,20	By upgrading the pound to comply with prescribed standards, by facilitating purchasing of vehicles, feed, remedies, knapsack sprayers and consumables by June 2024	4 camps with shelters. No provision for crush pan.	upgrading & maintenance of pound	Number of upgraded and maintained pound	1.2	0,2	Appointment letter, Completion Certificate	R156 000,00	R156 000,00	R156 000,00	N/A	1 Upgraded and Maintained animal pound by June 2023	Maintenance of animal pound was done and completed	1 upgraded and maintained pound by June 2024	1 Animal pound has been upgraded and maintained.	R153 755,00	Achieved	N/A	N/A	N/A
						Impounding of animals	Number of animals collected	1.2	0,5	Entry register of impounded animals	N/A	N/A	N/A	N/A	240-Animals impounded by June 2023	344 straying animals collected	300 Animals collected by June 2024	Collection of 458 stray/trespassing animals has been done	N/A	Achieved	N/A	N/A	N/A
						No provision for feedlot, no provision for remedies and feed	Acquisition of feed & remedies. Purchasing of feed bales, bags of concentrate, crushed maize, licks, pellets, salt, litres	Number of feed & remedies acquired.	1.2	0,3	Completion Certificate and Delivery note	R533 027,70	R499 992,00	R499 992,00	N/A	Purchased 1000 feed bales, 50kgx300 bags concentrate, 50kgx200 crushed maize, 50x50kg yellow maize, 45 licks, 40kg x75Pellets, 50kg x 75 salt, 80 litres	1000 feed bales, 50kgx300 bags concentrate, 50kgx200 crushed maize, 50x50kg yellow maize, 45 licks, 40kg x75Pellets, 50kg x 75 salt, 80 litres	Feed & remedies acquired by June 2024.	1000 feed bales, 50kgx300 bags concentrate, 50kgx200 crushed maize, 50x50kg yellow maize, 45 licks, 40kg x75Pellets, 50kg x 75 salt, 80 litres	R341 600,00	Achieved	N/A	N/A

Community Services																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Actual Measurable Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
						of remedies, knapsack sprayers and consumables.										45 licks, 40kg x75Pellels, 50kg x 75 salt, 80 litres of remedies ,05 Knapsack sprayers, 10x50m Ropes , 10x 20ltrs Molasses and consumables by June 2023	75 salt, 80 litres of remedies ,05 Knapsack sprayers, 10x50m Ropes, 10x 20ltrs Molasses and consumables were purchased		of remedies ,05 Knapsack sprayers , 10x50m Ropes, 10x 20ltrs Molasses and consumables were purchased					

KPA N0 2: Development Planning																							
Sub-Resu It Area	Issue	Strate gic Objective	Obj ective No.	Strate gies	Baseli ne Information	Projec t to be Imple mente d	Outpu t - KPI	KPI No.	KP l We igh t	Means of Verification	Budg et	Adjus ted Budg et	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reaso ns for Variance	Reas on for Budg et varia nce.	Reme dial Actio n
													Intern al	Extern al	Annual Target	Actual Performance Non-Financi al	Annua l Target	Actual Performance Non-Financi al	Actu al Financi al	Achi eve d/ Not Achi eve d			
Spatial Development Framework	Redre ssing past spatial imbalan ces	To Imple ment municip al SDF that will guide develo pment al progra mmes and projec ts by June 2027	2,1	By imple mentin g municip al SDF adopte d by the council by June 2024	Spatial Develo pment Frame work	Develo pment of the wild coast precin ct plan	Numb er of develo ped Wild Coast Precin ct Plan	2,1, 1	1,5	Terms of Refere nce, proof of submi ssion to SCM and Precin ct Plan docum ent.	R612 780,16	R612 780,16	R612 780,16	N/A	Develo pment of Kubha/ Magush eni LSDF by June 2023	Kubha/ Magush eni LSDF was not Develo ped	1 Develo ped wild coast precin ct plan by June 2024	0 Develo ped wild coast precin ct plan	N/A	Not Achi eve d	Challe nges securin g a suitabl e service provid er due to non-respon sive ness	N/A	Follow up on the sitting of commi tees.

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Integrated Land Use Management Systems	Non-Conforming land uses, encroachments and land invasions within municipal jurisdiction	To enforce regulations of the use of land to ensure controlled land use management by June 2027	2,2	By implementing the council integrated land use scheme and enforcement on land usage by June 2024	Integrated land use scheme and land use management system	Implementation of the scheme	Number of contravention notices issued	2,2,1	1	Registers and Progress Reports, notice issued	R0,00	R0,00	N/A	N/A	4 contravention notices served by June 2023	4 Contravention Notices Served	2 Contravention notices issued by June 2024	2 Contravention notices issued	R0,00	Achieved	N/A	N/A	N/A
Land Audit	Unsurveyed, unregistered municipal land and properties	By ensuring that properties are registered and surveyed of, and to maintain and update the register of properties within	2,3	By implementing municipal land audit by June 2024	Land Audit	Review Land Audit Report	Number of Land Audit Report reviewed	2,3,1	1,2	Terms of Reference, proof of submission to SCM and Review Land Audit report	R372 732,00	R966 927,00	R966 927,00	N/A	Subdivided and surveyed municipal land and subdivisional plans by June 2023	Subdivision and Surveying of Municipal Land and Subdivisional plans not done	1 Reviewed Land Audit Report by June 2024	1 Reviewed Land Audit	R403 650.00	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
		municipal jurisdiction by June 2027																					
Valuation Roll	New Property development, subdivisions, rezoning and property transfers	To develop a credible valuation, roll by June 2027	2,4	By formulating supplementary valuation roll to improve revenue collection by June 2024	General Valuation Roll	Compilation of Supplementary Valuation Roll	Number of Supplementary Valuation Roll Compiled	2,4, 1	1,3	Signed Supplementary Valuation Roll.	R300 000,00	R 300 000,00	R 300 000,00	N/A	1 Supplementary Valuation Roll by June 2023	1 Supplementary Valuation Roll compiled	1 Compiled Supplementary Valuation Roll by June 2024	0 Supplementary valuation roll	R0,00	<b>Not Achieved:</b>	The service had no contractual obligations to perform the Supplementary valuation because the 5-year term lapsed as stipulated on MPRA. Extension of time processes delayed and Service provider	N/A	The project is planned for 2024/25 financial year

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																						delayed in providing the roll-on time to be able to advertise it and implement it.	
Provision of Human Settlements	Housing backlog	To guide human settlements in ensuring access to housing is achieved by June 2027	2,5	By providing beneficiary administration and applications for funding by June 2024	Municipal Housing sector plan	Maintaining and Updating housing needs register	Number of Housing needs register maintained and updated.	2.5.1	1,2	Housing Needs Register	R0,00	R0,00	N/A	N/A	1 Maintained and Updated housing needs register. Monitor human settlements projects and 20 happy letters signed by June 2023	1 Housing Needs Register Maintained and Updated. Monitor Human Settlements Projects and Signed 20 Happy Letters	1 Maintained and Updated housing needs register by June 2024.	1 maintained and Updated housing needs register.	R0,00	Achieved	N/A	N/A	N/A
						Submission of Applications for Potential Benefi	Number of Applications for Potential Benefi	2.5.2							Verification form, beneficiary list and 4 submit	N/A	N/A	4 Submitted Applications for Potential	4 Submitted Applications for Potential	R0,00	Achieved	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Beneficiaries	Beneficiaries submitted			ted applications								Beneficiaries by June 2024	Beneficiaries.				
Building Control	Illegal building construction	To ensure compliance with National Building Regulations by June 2027	2,6	By updating building plan register and conducting inspections on submitted building plans by June 2024	National Building Regulations	Update building plan register and conducting routine inspection	Number of Updated building plan register and Number of routine inspections conducted	2.6.1	1,3	Updated building plan register and 12 routine inspection register	R0,00	R0,00	N/A	N/A	1 Updated Building Plan Register and 12 routine inspections conducted by June 2023	Updated Building Plan Register and Conducted 12 Routine Inspections	1 Updated building plan register and 12 routine inspections conducted by June 2024.	1 Updated building plan register and 12 routine inspections conducted	R0,00	Achieved	N/A	N/A	N/A
							Monitor Installation of sign boards	Number of updated signboard register	2.6.2	1	updated register, monitoring report			N/A	N/A	1 updated register on Installation of sign boards by June 2024.	1 updated register on Installation of sign boards	R0,00	Achieved	N/A	N/A	N/A	
Geographic Information	Outdated municipal geosp	To ensure mana geme	2,7	By implementation of GIS	Council adopted GIS strateg	Implementation of GIS strateg	Number of municipal geodat	2.7.1	0,5	System reports	R409 400,00	R200 400,00	R200 400,00	N/A	Updated municipal geodata	Municipal Geodatabase Update	1 municipal geodat abase	1 municipal geodat abase	R0,00	Achieved	N/A	N/A	N/A



KPA N0 2: Development Planning																									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
	atial information	nt and update of municipal geospatial information by June 2027		system as a tool to enhance service delivery through spatial information by June 2024	y and policy	y and policy	abase s updated.			& Maps					base. 1 Hosted GIS Open day and 100 scanned building plans and link them with GIS by June 2023	d. Hosted 1 GIS Open Day and Scanned 33 Building Plans internally and linked them with GIS	update d by June 2024.	update d							
							Number of GIS website maintained and updated,	2.7. 2		Terms of Reference, attendance registers, progress report, maintained website.					Update d municipal geodata base. 1 Hosted GIS Open day and 100 scanned building plans and link them with GIS by June 2023	Municipal Geodata base Update d. Hosted 1 GIS Open Day and Scanned 33 Building Plans internally and linked them with GIS	1 Maintained and update d GIS website by June 2024	1 Maintained and update d GIS website	R196 000.0 0	Achieved	N/A	N/A	N/A		

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Implementation of SPLUMA	Past Spatial Imbalances	To ensure compliance with SPLUMA by June 2027	2,8	By Facilitating the implementation of SPLUMA by June 2024	Spatial Planning, Land Use Management Act and SPLUMA Regulations	Conduct SPLUMA Awareness	Number of SPLUMA Awareness campaigns conducted	2.8.1	1	Attendance registers and public notices, closeout report	R203 432,10	R10 464,00	R10 464,00	N/A	N/A	N/A	2 SPLUMA Awareness campaign conducted by June 2024	2 SPLUMA Awareness campaign conducted on 3rd December 2023 and on 5th May 2024	R0,00	Achieved	N/A	N/A	N/A
Land Acquisition & Disposal	Unutilised, undeveloped land	To facilitate acquisition of well-located land and disposal of council land by June 2027	2,9	By ensuring maximum utilisation of prime land by June 2024	Land Disposal and Acquisition	Facilitation of Transfers by means of deed of sale	Number of Transfers facilitated by means of deed of sale.	2.9.1	0,5	4 Deeds of Sale.	R418 800,00	R418 800,00	R418 800,00	N/A	Facilitated of Transfers by means of 4 Deed of Sale/Lease Agreement by June 2023	Facilitated 4 Transfers by means of Deed of Sales	4 Facilitated transfers by means of deed of sale by June 2024	4 Deed of sale transferred	R322,874.30	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Township Establishment	Unavailability of land parcels for land development	To facilitate township establishment applications by June 2027		By creating land parcels for land development by June 2024	SPLUMA By-Laws	Approval of Township establishment layout plan	Number of approved township establishment layout plan	2.9.2	1	TOR, inception report, attendance register and approved township establishment layout plan	R732 900,00	R732 900,00	R732 900,00	N/A	1 Approved Township Establishment Layout Plan by June 2023	1 Approved Township Establishment Layout Plan	1 Approved Township Establishment Layout Plan by June 2024	1 Approved Township Establishment Layout Plan	R672 865.00	Achieved	N/A	N/A	N/A
LED Governance	Lack of stakeholder integration	To revive structures to contribute to local economic development initiatives by June 2027	2,10	Capacitate and Work in collaboration with Structures in all sectors by June 2024	There are a number of local formations and structures that are not fully operational and too much contestations in	Facilitation of Stakeholder meetings	Number of stakeholder meetings facilitated	2.1.0.1	1	Attendance registers	R391 408,00	R466 873,00	R466 873,00	N/A	4 Stakeholder meetings facilitated by June 2023	4 Stakeholder Meetings Facilitated	4 stakeholder meetings facilitated by June 2024	5 stakeholder meetings facilitated.	R0	Achieved	N/A	N/A	N/A
						Development of Business Plans for economic development	Number of Business Plans developed and approved	2.1.0.2	0,5	Terms of references. Proof of submission to SCM and final business	R400 000,00	R490 000,00	R340 000,00	R150 000,00	1 Hosted Business Conference and 2 business plans developed for economic	Hosted 1 Business Conference and 2 Business Plans not Developed for Econom	3 Business Plans developed and approved by June 2024	5 Business plans developed and approved	R358 900	Achieved	N/A	N/A	N/A





KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
	monthly	ation of choice until June 2027		the tourism plan by June 2024		Provision of Mnyameni tower.	Number of towers provided.	2.1 2.2	0,5	TOR, delivery note					a tower by June 2023	a tower not provided	1 tower provided at Mnyameni beach by June 2024.	1 Mnyameni tower provided	R98 000.00	Achieved	N/A	N/A	N/A
						Support artists	Number of Artists supported and number of festivals hosted	2.1 2.3	1	delivery note, festival report, attendance register.					1 festival hosted for artists & crafters by June 2023	1 Festival for artists & crafters hosted	Host 1 artists & crafters festival and support 1 local artist by June 2024	1 local artist supported and artists and crafters festival hosted	R182 500.00	Achieved	N/A	N/A	N/A
						Support tourism product owners, develop branding and marketing materi	Number of developed brochure and number of investment attraction attended	2.1 2.4	0,5	TOR, draft brochure, final Brochure, attendance registers.					N/A	N/A	1 brochure developed and 1 investment attraction attended by June 2024.	1 Tourism brochure developed inhouse and attended 1 investment attraction	R62 817.50	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						al to attend investment attraction.	Number of tourism product owners supported	2.1 2.5	0,5	TOR, assessment report, distribution register					Supported 2 Tourism product owners, developed branding and marketing material to attend 1 exhibition & 1 investment attraction by June 2023	Supported 2 Tourism product owners with branding and marketing material, Attended 1 exhibition and 1 investment attraction	2 tourism product owners supported by June 2024.	6 tourism product owners supported	R169 590.00	Achieved	N/A	N/A	N/A
						Visitor Information Centre system development	Number of developed VIC system developed	2.1 2.6	0,5	Visitor Information centre system development completion report and completion certificate					1 Maintained Visitor Information Centre at the Casino Wild Coast by June 2023	1 Visitor Information centre maintained	1 Visitor Information Centre system developed by June 2024	1 Visitor Information centre system developed	R197 500.00	Achieved	N/A	N/A	N/A

KPA N0 2: Development Planning																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Agriculture	Lack of access to market and infrastructure	To grow and strengthen the agricultural sector by supporting local farmers by June 2027	2,13	Integrated farmer support by June 2024	41 Local Farmers supported	Facilitate farmer support programme and Agri parks programme	Number of local Farmers Supported	2.1 3.1	1,5	TOR, Delivery notes, report and distribution register	R1 137 584,00	R1 137 584,00	R1 137 584,00	N/A	5 Local Farmers supported by June 2023	41 Local Farmers supported	Support 20 Local Farmers by June 2024	22 Local Farmers has been supported with equipment & material	R883 300.00	Achieved	N/A	N/A	N/A
					Outdated Agricultural Development Plan	Review and implementation of Agricultural Development Plan	Number of Agricultural Development Plan reviewed and implemented	2.1 3.2	0,5	Draft & final Agricultural development plan, resolution extract							1 Reviewed Agricultural Development Plan by June 2023	Draft Agricultural Development Plan developed, the service provider was only appointed in June.	1 Reviewed and Implemented Agricultural Development Plan by June 2024	1 Agricultural Development Plan has been Reviewed and Implemented	R195 500	Achieved	N/A
	Congestion in the CBD	To Reduce informal Trading in the CBD by June 2027		To create a conducive Environment for Informal Traders by	Market Place Feasibility Study Report	Construction of Bizana Mini-Market Phase 2	Number of Bizana mini-markets (phase 2) under construction	2.1 3.3	1	TOR, progress report	R1 739 000,00	R4 083 479,00	R4 083 479,00	N/A	1 Mini market constructed (Phase 1) by June 2023	Phase 1 of mini market has been not completed, paving has been done awaiting	Constructed 1 Bizana Mini-Market, site establishment completed by	0 Bizana Mini-Market constructed, site establishment not completed. Commit	R0,00	Not Achieved	Non-responsiveness of Service Provider to tender, tendered quotes	Requested top-up to accommodate construction of Phase 2 which	Negotiate with potential service provider for quote cut.



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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				June 2024													completion of phase 1 shelters	June 2024	tees have adjudicated the project however the tendere d quotes were above budget. Identified relocation spot for temporal taxi rank.		above budget	was estimated at R3 500 000	
Mari culture	Unavailability of Boat Launching Site and Infrastructure	To promote sustainable use of marine resources to contribute in the local economy by June 2027	2,14	To Support Commercial and small-scale fishers by June 2024	District Ocean Economy Sector Plan	Support Small Scale Fishers	Number of Small-Scale Fishers supported	2.1 4.1	1	TOR, Delivery note, distribution register and closeout report	R414 192,00	R414 192,00	R414 192,00	N/A	2 Small Scale & Commercial Fishers supported by June 2023 (assessment)	4 Small Scale & Commercial Fishers has been supported	5 Supported Small Scale Fishers by June 2024	6 Small scale fisheries has been supported with fishing gear	R386 345.00	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Enterprise Development	Lack of Finance	To promote enterprise development to contribute 10% by June 2027	2,15	Implementation of SMME & Cooperative Plan by June 2024	Adopted SMME & Cooperative Plan	Support and Capacity of SMMEs	Number of SMMEs supported and capacitated	2.15.1	1,5	Delivery note, distribution register, assessment report, attendance register	R2 090 060,00	R2 471 060,00	R2 471 060,00	N/A	20 Supported & Capacitated SMMEs by June 2023 (repetitive)	TORs were developed, advert was published and 6 SMMEs were supported & Capacitated.	Supported and capacitated 30 SMMEs by June 2024	30 SMMEs supported and capacitated	R285 000,00	Achieved	N/A	N/A	N/A
	20 Supported & Capacitated Incubates by June 2023														TORs were developed, advert was published and Selection of 9 Incubates was done.	20 Supported & Capacitated Incubates by June 2024	20 Supported and capacitated incubates in mentorship by Q3 and Q4.	R750 000,00	Achieved	N/A	N/A	N/A	
Enterprise Development	Unsustainable Businesses	To promote enterprise development to contribute 10% by June 2027	2,15	Implementation of SMME & Cooperative Plan by June 2024	Adopted SMME & Cooperative Plan	Support and Capacity of SMMEs	Number of SMMEs supported and capacitated	2.15.2	1,5	Terms of reference, Delivery note, distribution register, reports and attendance register	R2 090 060,00	R2 471 060,00	R2 471 060,00	N/A	20 Supported & Capacitated Incubates by June 2023	TORs were developed, advert was published and Selection of 9 Incubates was done.	20 Supported & Capacitated Incubates by June 2024	20 Supported and capacitated incubates in mentorship by Q3 and Q4.	R750 000,00	Achieved	N/A	N/A	N/A
20 Supported & Capacitated Incubates by June 2023	TORs were developed, advert was published and Selection of 9 Incubates was done.														20 Supported & Capacitated Incubates by June 2024	20 Supported and capacitated incubates in mentorship by Q3 and Q4.	R750 000,00	Achieved	N/A	N/A	N/A		
Mining	Mining not fully supported	Coordination of Mining activities by June 2027	2,16	Integration of key industry players for mining activities by	Uncoordinated mining activities	Facilitating SLP meetings	Number of Social Labour Plan meetings facilitated	2.16.1	1	Attendance registers	R0,00	R0,00	N/A	N/A	2 Continuous facilitated SLP meetings by June 2023	2 SLP has been facilitated	2 SLP meetings facilitated by June 2024	2 SLP Meeting has been facilitated on 21 September 2023	R0,00	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance.	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Wholesalers and Retailers	Lack of growth and skills on local wholesalers and retailers	To capacitate and promote small wholesalers and retailers by June 2027	2,17	collaboration of key industry players for wholesalers and retailers by June 2024	WMMLM Database	Capacitate and support wholesalers and retailers	Number of wholesalers and retailers capacitated and supported	2.17.1	1	Attendance registers, delivery note and reports	R0,00	R0,00	N/A	N/A	Capacitated and Supported 80 wholesalers and retailers by June 2023	TORs were developed, advertised and published and 80 wholesalers & retailers has been not capacitated & supported	80 capacitated and supported wholesalers and retailers by June 2024	160 Capacitated and supported wholesalers and retailers	R575 500,00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Employee Wellness	promotion of employee wellbeing	To ensure Sustainable Provision of wellness services to all employees by June 2027	3.1	By developing and implementing Employee Wellness Programmes by June 2024	One Employee wellness campaign conducted (Organisational Culture and Work Ethos)	Conduct one Employee Wellness campaign	Number of Employee Wellness campaigns conducted	3,1,1	0,5	Attendance Register, Campaign Report signed by SM, concept document	R227,112,00	R239,112,00	R239,112,00	N/A	1	Concept developed and signed . Organisational Culture & Work Ethos campaign conducted for 100 employees by June 2023	One Health Promotion employee wellness campaign conducted by June 2024	1. Established contact with multiple identified third parties to participate in the programme and secured their services in order to determine the structure of the campaign . Contact emails confirming commitment attached. 2. Employee wellness campaign conducted to 481 employees inclusive of councillors on the	R18,600.00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																			20 - 23 November 2023.				
					150 medical check-ups conducted	Refer employees for medical check-ups	Number employees referred for medical check-ups	3,1,2	0,25	Attendance Register, Report Signed by SM	R261744,00	R191744,00	R191744,00	N/A	150 employees referred for medical check-ups by June 2023	102 employees were referred for medical check-ups on the 28/11/2022 to the 01/12/2022 and 78 on the 16-25 May 2023.	Refer 100 service employees for medical check-ups by June 2024.	Medical Check-ups were conducted to 182 employees on the 13-14 November 2023 and 13-14 May 2024.	R3000,00	Achieved	N/A	N/A	N/A
					One induction for 15 OHS committee members and 08 OHS representatives	Training of twenty (20) employees on first aid	Number of employees trained on First Aid	3,1,3	0,25	Signed Concept document, proof of attendance/Register	R326328,00	R665186,00	R665186,00	N/A	Conduct one (1) OHS awareness by June 2023	Concept document drafted and signed. OHS Awareness on injury on duty and 10 Rules of OHS were	1 Training provided to 20 employees on First Aid by June 2024.	1 First Aid Training was conducted to 20 employees occupying offices & OHS Committee meeting was facilitated	R34,381,23	Achieved	N/A	N/A	N/A



Municipal Transformation and Institutional Development																							
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Performance Management	Instill a culture of higher perform	To implement and sustain	3.2	Evaluating employee perform	Twenty (20) Employees below TG 10	IPMS Refresher workshop conducted to thirty	Number of employees workshopp	3,2, 1	0,5	Invitations, Programme and attendan	R1 01 244 ,00	R10 1 244, 00	R1 01 244 ,00	N/A	Conduct IPMS workshop for	Concept document developed	1 IPMS refresher works	1 IPMS Workshop was conducted to 17	R0,00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																										
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved						
	manage management and accountability	functional and effective Performance Management System (PMS) by June 2027		through midyear and annual assessments by June 2024	workshop held on IPMS	(30) employees below TG16,	held on IPMS			ce register						twenty (20) employees below TG10 by June 2023.	held and Workshop conducted on the 29-30 May 2023 for 75 employees below TG10.	held conducted for 30 employees by June 2024	employees from 26-27 March 2024. 23 employees on the 16-17 May 2024, total number is 39 employees.							
					Contracted 60 employees and assessed 52 employees below senior managers	Signing of PMS agreements and formulation of workplans for employees below senior management	Number of PMS agreements signed and workplans formulated for employees below senior management	3,2, 2	0,5	Signed IPMS Agreements and plans	R0, 00	R0, 00	N/A	N/A	Signing of PMS agreement and formulation of work plans for fifty (50) employees below senior management by June 2023	Fifty-eight (58) employees below senior managers signed their performance agreements and plans	Signed PMS agreements and formulated work plans for fifty (50) employees below senior management by June 2024.	53 employees below senior management signed performance agreements and plans	R0,00	Achieved	N/A	N/A	N/A			



Municipal Transformation and Institutional Development																							
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					Conducted 2021/22 annual assessment for sixty eight (68) employees and 2022/23 mid-year for fifty-seven (57) employees below senior management	Mid-year and annual assessments of employees below senior management.	Number of employees below senior managers assessed.	3,2,3	0,25	Assessment Report and attendance register	R0,00	R0,00	N/A	N/A	Bi-annual assessment of 50 employees by June 2023	Fifty-three (53) employees were assessed on 2021/22 annual Performance . Fifty-seven (57) employees below senior managers were assessed for mid-year of 2022/23 FY	Bi-annual assessment of 50 employees below senior management were assessed for 2022/23 annual performance conducted by June 2024.	50 employees below senior management were assessed for 2022/23 annual performance	R0,00	Achieved	N/A	N/A	N/A
Human Capital Development	training and development of Human capital	Providing comprehensive education, training and human resource development	3.3	By Capacitating Councilors and Employees through Skills Development by	WSP submitted to LGSETA in the 2022/2023 Financial Year.	Facilitate training for ten (10) municipal officials and five (5) councilors	Number of employees and councilors provided with training	3,3,1	0,25	Concept document, Registration form, proof of attendance/register	R542,832,00	R542,832,00	R542,832,00	N/A	Facilitated training for 60 councilors and 8 municipal officials by	Concept document developed and submitted to SCM. Computer training	Trained ten (10) officials and five (5) councilors	Trained 35 officials 6 CPMD 3 on MISA programme 5 officials trained on Internal Audit	R3 022 253,43	Achieved	N/A	Department correlated with the Office of the MM programme to disch	N/A

Municipal Transformation and Institutional Development

Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
		ment by June 2027.		June 2024												June 2023	g was conducted for 41 councilors instead of 60 councilors and in addition 30 councilor support assistance were also trained on the 28-30/09/2022. A recovery training done to the remaining 19 councilors on the 06-07 June 2023. Adhoc training		20 on First aid 1 on Test trade for pumpling 64 councillor s trained.				arge the training, therefore the funds utilised are reported in the respective department .	



Municipal Transformation and Institutional Development																							
Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					Fifteen (15) students provided with experiential learning	Provide experiential learning to students	Number of students provided with experiential learning	3,33	0,25	Advert, Master list & Approved list of learners	R146580,00	R146580,00	R146580,00	N/A	Provided experiential learning for 15 students by June 2023	Experiential learning provided to 25 WIL programme students and 15 students from various higher education institutions	Provided experiential learning for (15) students by June 2024.	Experiential learning provided to 26 students	R0,00	Achieved	N/A	N/A	N/A
					Thirty-one (31) students provided with learnership/internship	Provide learnership/internship to five (5) graduates	Number of graduates provided with learnership/internship	3,34	0,5	Placement request letters from institution	R0,00	R0,00	N/A	N/A	N/A	N/A	Provided learnership / internships for five (5) graduates by June 2024	Provided work integrated exposure to 27 learners	R0,00	Achieved	N/A	N/A	N/A

Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Labour relations	To promote sound labour relations in the Municipality by June 2027.	To ensure sound labour relations in the Municipality by June 2027.	3.4	By coordinating training and sittings of organised labour by June 2024.	Four (4) LLF sittings coordinated	Co-ordinate four (4) LLF sittings	Number of LLF sittings coordinated	3,4, 1	0,5	4 attendance registers, notice	R20 980,00	R20 976,00	R20 976,00	N/A	Co-ordinate four (4) LLF sittings by June 2023	Four LLF sittings sat on 25/07/2022 and on 18/10/2022 and 22/11/2022. One LLF sitting coordinated and sat on the 19-21 June 2023.	Co-ordinate four (4) LLF sittings by June 2024.	Five LLFs sittings were coordinated on 11/09/2023 09/11/2023 29/11/2023 09/05/2024 7/June/2024	R0,00	Achieved	N/A	N/A	N/A
					56 Managers and supervisors trained on disciplinary procedures.	Co-ordinate training of managers and line supervisors on disciplinary procedures.	Number managers and line supervisors trained on disciplinary procedure	3,4, 2	0,2 5	Signed concept document, attendance register	R84 804,00	R84 804,00	R84 804,00	N/A	Co-ordinate training of 6 supervisors on disciplinary procedures by June 2023	Concept document was drafted, approved, submitted to SALG A and Commitment to provide training	Co-ordinate training of 13 managers and line supervisors on disciplinary procedure by	Sixteen (16) managers were trained on disciplinary procedure on the 25th of March 2024.	R47 357,90	Achieved	N/A	N/A	N/A



Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Job Evaluation	Job descriptions not aligned to TASK standards	To integrate institutional development with organisational structure and workforce principles by June 2027	3,6	By developing job descriptions for all filled and vacant positions by June 2024	45 job descriptions developed and signed	Developing of job descriptions in the approved staff establishment	Number of developed and signed job descriptions	3,6, 1	0,2 5	Signed Job Descriptions	R0, 00	R0, 00	N/A	N/A	Draft 35 job descriptions and submit to the DJEC by June 2023.	Five job descriptions for MM's Office, ten from LED, forty-two from Community services and five from engineering services - developed and signed	46 Job descriptions developed and signed by June 2024.	48 Job descriptions were developed and signed	R0,00	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
FLEET MANAGEMENT	Depreciating Municipal Fleet.	To ensure that there is sufficient and roadworthy municipal fleet by June 2027.	3.7	By procuring and Maintaining Municipal vehicles by June 2024	30 Licences renewed	Municipal vehicles Licence renewal	Number of municipal vehicles Licences renewed	3,7, 1	0,2 5	30 vehicle licence renewals	R5 39 196 ,00	R53 9 196, 00	R5 39 196 ,00	N/A	30 Licence renewed by June 2023	54 licence renewed	30 municipal vehicles Licences renewed by June 2024	49 municipal vehicles Licences were renewed.	210 39 6,5	Achieved	N/A	N/A	N/A
					Two awarenesses conducted to 15 Drivers and operators	Awarenesses to drivers and operators	Number of awarenesses to Drivers and operators	3,7, 2	0,5	Attendance Register	R0, 00	R0, 00	N/A	N/A	2 Awareness to 15 drivers and operators by June 2023	Two awarenesses to 15 drivers and operators were conducted	1 Policy Awareness to 10 drivers and 5 operators by June 2024	1 Policy awarenesses conducted for 22 drivers and 05 operators	R0,00	Achieved	N/A	N/A	N/A
					Fleet Management tracking System in place	Installation of tracking devices to new vehicles	Number of new vehicles installed with tracking device	3,7, 3	0,2 5	Two municipal vehicle tracking certificates	R2 52 476 ,00	R45 2 476, 00	R4 52 476 ,00	N/A	Two new vehicles installed with tracking devices by June 2023	Two new vehicles were installed with tracking devices	2 new vehicles installed with tracking device by June 2024	Two new vehicles were installed with tracking devices.	R0,00	Achieved	N/A	N/A	N/A



Municipal Transformation and Institutional Development																							
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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					10 pool vehicles	Provision of new municipal vehicles	Number of new municipal vehicles purchased	3,7,4	0,5	Registration certificate, delivery note, invoice, concept document	R2 499,996,00	R1 499,996,00	R1 499,996,00	N/A	Provision of two new municipal vehicles by June 2023	Two new vehicles were purchased	2 new municipal Vehicles purchased by June 2024	Two new municipal Vehicles were purchased	1 580 388,66	Achieved	N/A	N/A	N/A
RECORDS MANAGEMENT	Insufficient record keeping space and improving adherence to file plan	To ensure adequate record keeping space and records management procedures are practised by June 2027	3.8	By sourcing the services of a service provider towards awareness campaigns by June 2024	Records Management Policy File Plan Procedure Manual	Awareness on Records Management to Records users.	Number of awareness on records management to management and records users	3,8,1	0,25	Invite, attendance register, report signed by SM	R0,00	R0,00	N/A	N/A	4 Awareness on Records Management to Records users by June 2023	Four Awareness on Records Management to Records users were done	3 Awareness on Records Management to Records users by June 2024	(1) One file plan awareness conducted for Corporate Services and MM's office on 04/08/2023 (2) One file plan awareness conducted for Development Planning and Engineering Services 27 & 28/11 2023 (3) One	R0,00	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																			file plan awareness to Community Services and BTO departments on 21/02/2024.				
				By developing inventory and Audit records management	Records Management Policy File Plan Procedure Manual	Development of inventory and audit records management	Number of developed inventory and audit records management	3.8.2	0,25	Report, attendance register	R402344,00	R402344,00	R402344,00	N/A	N/A	N/A	1 Developed inventory and audit records management by June 2024.	One inventory and audit records management developed	R390000,00	Achieved	N/A	N/A	N/A
Municipal ICT Systems and Infrastructure	Sporadic challenges affecting ICT systems to support municipal objectives	To ensure maximum availability of efficient ICT Services and Infrastructure by June 2027.	3.9	By optimize systems, administration and operating procedures by June 2024	ICT systems in place	ICT licenses and software procurement	Number of SLA signed and number of licenses renewed	3,9.1	0,5	Copy of signed SLA, License certificate for Munsoft, 3CX and ESET	R7345752,00	R7768622,00	R7768622,00	N/A	2 renewed and maintained service level agreements and 5 licenses renewed by	Requesting invoices from the service providers, Processing payments for license renewals.	1 new signed SLA for payroll system and 3 renewed licenses by June 2024	(1) Munsoft, 3CX and ESET Licenses have been renewed. (2) Appointed Munsoft for provision of Payroll	1738668.22	Achieved	N/A	ESET antivirus is included on the Munsoft SLA. No amount is paid separately for	N/A

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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
																June 2023	Printing SLA signed and Microsoft SLA renewed until 30 June 2025		system for 5 years on the 30th January 2024. SLA Signed on the 01st March 2024				the antivirus.	
				By providing ICT tools of trade for council and staff members by June 2024	laptops and desktops in place	Procurements of laptops for staff members	Number of laptops Procured for staff members	3,9,2	0,5	ICT Monthly report, Concept Document and Submission to SCM, Appointment letter and distribution forms	R1 739,124,00	R1 786,084,00	R1 786,084,00	N/A	10 laptops procured for staff members by June 2023	Concept document and TOR were developed and submitted to SCM. 10 laptops received and distributed them to users	10 Laptops procured and distributed to staff members by June 2024	30 Laptops procured and Distributed to users	R1 736 137,00	Achieved	N/A	N/A	N/A	

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Sub - Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year 2022/23		Actual Measurable Performance 2023/2024				Reasons for Variance	Reasons for Budget Variance	Remedial Action
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				By Improving access to the Municipal ICT infrastructure by June 2024	server room and cat 6 cabling in place	Integration of Civic Centre with the main municipal building	integrated library with civic centre with main municipal building	3,9,3	0,5	, completion report. Completion certificate	R1 739 124 ,00	R2 334 779, 00	R2 334 779 ,00	N/A	N/A	N/A	Integration of Civic Centre with the main municipal building by June 2024	Appointment of Service provider for integration of civic centre. Civic Centre integrated and public wi-fi installed in 3 municipal sites	R 1 158 200. 00	Achieved	N/A	Appointment amount for the project is R2 440 799,8 0, the rest of the amount is for support for a period of 36 months.	N/A
MUNICIPAL CORPORATE GOVERNANCE OF ICT	Compliance with approved ICT Governance principles and Legislation	To ensure that Corporate Governance of ICT is implemented by June 2027,	3.10	By maintaining the Municipal website through regular updates of the	Website in place	uploading of 20 items on the municipal website content	Number of items uploaded on the municipal website	3,10,1	0,25	20 Screenshots of uploaded municipal documents	R0,00	R0,00	N/A	N/A	20 items Uploaded on the Municipal Website Content by June 2023	20 Compliance documents were uploaded onto the website	20 items uploaded on the municipal website content by June 2024	All 20 Compliance documents uploaded on the website	R0,00	Achieved	N/A	N/A	N/A

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													Internal	External	Annual Target	Actual Performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
				website content by June 2024	Website in place	Upgrading and maintenance of the website	Website upgraded and maintained	3,10,2	0,25	4 Reports Website Screenshots	R0,00	R0,00	N/A	N/A	Website upgraded and maintained by June 2023	Updating of website content as per requests received from departments	website upgraded and maintained by June 2024	Website upgraded and maintained Four reports, uploading of adverts and closing registers from SCM, vacancies from HR, Notices, performance agreements from MMs office	R0.00	Achieved	N/A	N/A	N/A
				By implementation of Municipal ICT Governance framework by June 2024	ICT Governance Policy Framework in place	Reviewal of ICT Strategy, DRP, BCP and ICT policies	Number of reviewed ICT Governance documents	3,10,3	0,5	Reviewed ICT strategy, DRP, BCP and ICT policies and Council Extract	R300,000,00	R28000,00	R288,00	N/A	1 Reviewed ICT Disaster Recovery Plan and 2 Policies by June 2023	Concept document and TOR were developed and submitted to SCM. Advert was issued and	1 ICT strategy, DRP, BCP and ICT policies reviewed and adopted by June 2024	Appointment of service provider for reviewal of ICT Disaster Recovery . ICT Strategy, DRP, BCP and ICT policy manual reviewed	R253000,00	Achieved	N/A	N/A	N/A



KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Revenue Management	Revenue collection trends are decreasing posing a threat to the municipality's going concern	To achieve 100% billing of all active accounts for all services that are connected to each account to be billed by June 2024	4,1	Metering of all electricity consumption by June 2024	Electricity meters are read, recorded, and captured manually	Reading of electricity meters	Accurate billing of electricity consumption	4.1.1	0,5	12 Months Meter reading Report from the AMR System, invoice and GRV	R 947 700,00	R 1 247 700,00	R 1 247 700,00	N/A	Monthly Reading of 92 electricity meters utilizing the Automated system by June 2023	94 July, 94 Aug, 94 Sept, 94 Oct, 94 Nov, 96 Dec, 96 Jan, 96 Feb, 96 March, 96 April, 96 May and 96 June electricity meters read	Reading 100% of active electricity meters utilizing the Automated system by June 2024	100% of (96 meters in July, 96 August : 97 meters September, 97 meters October, 97 meters November, 93 meters for December, 93 Jan.93 Feb and 96 March, 96 April.96 May and 96 June) active electricity meters were read.	R 1 214 953,22	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																								
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
				rs for all services by June 2024	80% on electricity and 90% on refuse	complete consumer master database for refuse, electricity and property rates	of active customer accounts.			Billing Report					accounts for Property rates, refuse and electricity by June 2023	accounts (2118 July, 2117 August and 2115 Sept, 2114 Oct, 2111 Nov, 2111 in Dec,2109 Jan, 2106 Feb and 2102 March, 2101 Apr, 2100 May and 2092 June) for Property rates, refuse and electricity billed by	active consumer accounts for Property rates, refuse and electricity by June 2024	accounts (2091 July, 2077 August for Property rates, October, 2076 November, 2074 Jan, 2073 Feb, 2075 March, 2068 April 2066 May, 2066 June) for Property rates, refuse and electricity billed.						



KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
					Billing completed beyond the 3rd day of the following month	Completion of billing processes by the 3rd day of each following month	reduced customer queries - All active of consumer accounts billed as per consumer master database	4.1.3	0,25	12 Month end closing Reports	R -	R -	N/A	N/A	Billing completed by the 3rd day of each month following the billing month by June 2023	July to June were billed within the 3 working days of each month following the billing month .	Billing completed by the 3rd day of each month following the billing month by June 2024	Month end procedure for consumer debtors, sundry debtors were performed within 03 working days July (03/08/23), August (05/09/2023), Sep (04/10/2023), Oct s (03/11/23), November (05/12/23), December (4/01/2024),J	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		an (01/02/2024), Feb (05/03/2024), Mar (03/04/2024), April (03/05/2024), May (05/06/2024) and June (01/07/2024)					
					Manual distribution of consumer statements	Distribution of monthly statement using emails and SMS's	Number of distributed monthly consumer statements	414	0,25	12 Monthly Statements distribution Report	R 7308,00	R 7308,00	R 7308,00	N/A	Distribution of electronic monthly consumer statements by June 2023	12 months monthly electronic statements distributed by 30 June 2023.	12 electronic monthly consumer statements distributed by June 2024	12 electronic monthly statements distributed.	R 6251,96	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objectiv e	Obj ectiv e No.	Strategie s	Baseline Informati on	Project to be Implemen ted	Outp ut - KPI	K PI N o.	K PI W ei gh t	Means of Verific ation	Budge t	Adjuste d Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Re aso ns for Var ian ce	Re aso n for Bud get Var ian ce	Re me dial Act ion
													Intern al	Extern al	Ann ual Targ et	Actual Perfor manc e Non- Finan cial	Ann ual Targ et	Actual Perfor manc e Non- Finan cial	Actual Financial	Achi eved / Not Achi eved			
				Review and Implementation of the Revenue enhancement Strategy by June 2024	Revenue Enhancement Strategy reviewed in 2020/2021	Review of the Revenue enhancement Strategy Action Plan and conducting 3 meetings	Number of reviewed revenue enhancement strategy action plan and Number of meetings conducted	41.5	0.25	4 Quarterly Revenue enhancement meeting reports, reviewed revenue enhancement strategy plan and attendance register	R-	R-	N/A	N/A	Implemented Revenue enhancement Strategy Action Plan by June 2023	4 Meetings were held during the year (on the 29th September Virtual platform, 4 Nov 2022, 8 March and 22 June 2023)	1 Reviewed Revenue enhancement Strategy Action Plan and 3 meetings conducted by June 2024	1. The Revenue enhancement strategy action plan was reviewed and reported on the 29th of September for Q1 and 2.18 December 2023 Quarterly revenue enhancement meeting was held.	R-	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		Meeting was held on the 28 March 2024. 4. Quarter 4 revenue enhancement meeting was held on the 12 June 2024.					
		To achieve at least 95% collection of all debt by June 2024		Implementation of credit control measures by June 2024	Long outstanding debtors, which are more than 365 days	Outsourcing of collection services	Percentage of handed over accounts to debt collectors that are beyond 90 days	416	0,25	04 reports	R 1 368 900,00	R 1 368 900,00	R 1 368 900,00	N/A	Handing over of all business accounts that are beyond 90 days were handed over for debt collection to debt	100% business accounts that are beyond 90 days were handed over for debt collection to debt	Implementation of 100% of Consumer Data analyses, data cleaning and handing over of all	100% business accounts handed over for debt collection to debt collectors for the report	R 716 169,79	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																	collectors by 30 June 2023.	accounts beyond 90 days through outsourced services by June 2024.	ng period.				
						Establishing of a credit control and debt collection services function within the revenue structure	Number of job descriptions reviewed and people assigned with revenue management functions	417	0,25	reviewed job descriptions, report	R-	R-	N/A	N/A	N/A	N/A	02 Reviewed job descriptions and 02 staff members assigned with credit control and debt collection functions by	Reviewed 2 Job descriptions for 2 staff members within revenue section. A revenue clerk was allocated with credit control and debt collection	R-	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		June 2024	functions. A Revenue Accountant JD was already inclusive of the reporting functions of the entire revenue section in terms of the terminology of the JD.				
	Accounts with errors taking longer to identify and resolve	To achieve a clean audit by June 2024		Performance of monthly debtors, rates and investment reconciliations by	Monthly reconciliations not performed by the 7th day of each month	Monthly reviewal of debtors, rates and investment reconciliati on by the 7th working day of	Number of monthly reviewed debtors, investments and	418	0,25	12 monthly Signed debtors,12 monthly signed investments	R-	R-	N/A	N/A	12 monthly reviewed debtors ,12 investments and 12	12 monthly review ed debtors ,12 investments and 12	12 monthly review ed debtors ,12 investments and 12	12 monthly debtors ,12 monthly investment reconciliation	R-	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																								
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
				June 2024		each month	rates reconciliation			and 12 monthly signed rates reconciliation					rates reconciliation by June 2023	rates reconciliation by June 2023	rates reconciliation by June 2024	were reviewed.						
	Outdated Policies	Annually Review of sectional Policies by June 2024		Reviewing sectional policies by June 2024	Sectional policies that are not reviewed annually	Review of existing sectional policies and presentation to the relevant stakeholders	Number of reviewed and adopted policies	41.9	0.25	03 Reviewed and signed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy, resolution extract	R-	R-	N/A	N/A	03 Reviewed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy and presentation to the relevant stakeholders by June 2023	The Credit control and debt collection policy, Tariff Policy, Property rates policy were reviewed by 30 June 2023.	3 Reviewed and adopted sectional policies by June 2024	Credit control, debt collection, tariffs policy, property rates policy were reviewed and adopted by council on the 20 May 2024.	R-	Achieved	N/A	N/A	N/A	

KPA NO 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	K P I N o.	K P I W e i g h t	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Compliance with laws and regulations	To ensure proper regulations of the municipal powers and functions by June 2024		Promulgation of revenue policies and credit control policies into by-laws by June 2024	Revenue by laws that not promulgated on time	Promulgation of property rates policy and credit control policy	Number of gazetted policies	4.1.10	0,25	2 Promulgated of property rates policy and credit control policy	R -	R -	N/A	N/A	02 Gazetted property rates policy and credit control policy by June 2023	Property rates and credit policy were not gazetted by 30 June 2023.	2 Promulgated of property rates policy and credit control policy by 30 June 2024	Property Rates policy and credit control policies were promulgated and gazetted on the 28th of June 2024	R -	Achieved	N/A	N/A	N/A
				Promulgation of the approved tariffs (gazetting) by June 2024	Gazetting of approved municipal tariffs not performed timely	Promulgation of the approved tariffs (gazetting)	Number of gazetted approved property rates tariffs (gazetting)	4.1.11	0,25	Promulgated of the approved tariffs (gazetting)	R -	R -	N/A	N/A	1 Gazetted of the approved property rates tariffs (gazetting) by 30 June 2023	Gazetted property rates tariff were advertised on East Griqualand News Paper	1 Promulgated of the approved tariffs (gazetting) by 30 June 2024	Municipal approved tariffs for were promulgated and gazetted on the 28th of June 2024	R -	Achieved	N/A	N/A	N/A
	Municipalities must comply with			Maximising the revenue generation of the	Non-compliance with Municipal Property	To compare property rates categories	Number of reconciliation	4.1.12	0,25	4 Reconciliation report	R -	R -	N/A	N/A	N/A	N/A	4 Reconciliation reports	4 Reconciliation reports	R -	Achieved	N/A	N/A	N/A



KPA N0 4: BTO																									
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action		
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved					
	Section 18 of the MFMA and ensure that they fund their MTREF budgets from realistically anticipated revenues to be collected.			municipal revenue base	Rates Act (MPRA) as amended in 2014	on the Valuation roll to those of the MPRA and ensure that the municipal tariffs are aligned with the categories	reports for property categories prepared			for property categories between the MPRA, valuation roll and Municipal Tariffs, and proof of submission 10 days after the end of each quarter								t for property categories between the MPRA, valuation roll and Municipal Tariffs by June 2024.	for property categories between the MPRA, valuation roll and Municipal Tariffs were performed.						
						Reconciliation of General Valuation roll with the deeds office registry and the municipal billing system	Number of reconciliations on reports of general valuation roll prepared	4.1.13	0,5	4 quarterly reconciliation reports of property rates billing and General	R-	R-	N/A	N/A	1 Gazetted of the approved property rates tariffs (gazetting) by 30	Gazetted property rates were advertised on East Griqualand News Paper	4 reconciliation reports of property rates billing and General valuation	4 quarterly reconciliation report of property rates billing and General valuation roll	R-	Achieved	N/A	N/A	N/A		

KPA N0 4: BTO																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
										valuation roll					June 2023		roll prepared by June 2024.	have been prepared.						
Expenditure Management	Invoice not submitted within 30 days of receipt for payment	To pay creditors within 30 days in compliance with the MFMA by June 2024	4,2	Enforcement of system descriptions and processes as per the Account payable policy by June 2024	Invoices still taking longer to reach BTO for payment	Centralisation of submission of invoices per department	Percentage of Creditors paid within 30 days of receipt of a valid invoice	4.2.1	0,5	Invoice register and age analysis report	R-	R-	N/A	N/A	Payment of all presented acceptable invoices within 30 days from receipt of invoice by June 2023	All creditors for July to June presented for payment were paid within 30 days	100% Creditors paid within 30 days of receipt of a valid invoice by June 2024	All creditors for July-June presented for payment were paid within 30 days	R-	Achieved	N/A	N/A	N/A	
	Data strings that are submitted with incomplete information and month end procedures that are not	To achieve a clean audit by June 2024		Develop sound, strict and effective procedures for reporting by June 2028	Non-implementation of all monthly procedures	Implementing of month end procedures for 8 modules (cashiers, stores, creditors, cashbook, sundries, consumer	Number of submitted monthly data strings and reports no later than 10	4.2.2	0,5	12 confirmations of submission from LG Portal not later than 10 workin	R-	R-	N/A	N/A	Submitting 12 monthly data strings to LG Portal and Reports were submitted not later than 10	12 monthly data strings to LG Portal and Reports were submitted not later than 10	Submitting monthly data strings and Reports were submitted not later than 10	12 monthly data strings to LG Portal submitted to LG portal within an average	R-	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	performed on time					debtors and Asset)	working days after month end of each month			g days after month end					working days after month end of each month by June 2023	10 working days after the end of each month for the past 12 months.	working days after month end of each month by June 2024	of 3 days					
	Inaccurate and incomplete commitment register				Commitment register with material misstatements	Monthly review of commitment register by the 7th working day of each month	Number of monthly reviewed commitment register	4.2.3	0,25	12 signed commitment register	R-	R-	N/A	N/A	12 monthly reviewed commitment register by June 2023	12 monthly commitments registers were prepared and signed by 30 June 2023.	12 monthly reviewed commitment registers were reviewed.	R-	Achieved	N/A	N/A	N/A	
	Creditors and grants with errors taking longer to identify			Performance of monthly conditional grants, creditors, retention and vat reconciliation by	Monthly reconciliations not performed by the 7th day of each month	Monthly review of conditional grants, creditors, retention and vat reconciliation by the 7th working	Number of monthly reviewed conditional grants, creditors	4.2.4	0,25	12 Signed monthly Conditional grants, 12 monthly creditors	R-	R-	N/A	N/A	12 monthly reviewed Conditional grants, 12 monthly	12 monthly reviewed Conditional grants, 12 monthly	12 monthly global creditors, 12 monthly retention, 12 monthly	R-	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																								
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
	and resolve			June 2024		day of each month	ors, monthly retention and monthly vat reconciliation			rs, 12 monthly retention and 12 monthly vat reconciliations					credits, 12 monthly retention and 12 monthly vat reconciliation by June 2023	credits, 12 monthly retention and 12 monthly vat reconciliation were prepared and reviewed by June 2023.	hly credits, 12 monthly retention and 12 monthly vat reconciliations by June 2024	y conditional grants and 12 monthly vat reconciliations were reviewed.						
	Payroll accounts with errors taking longer to identify and resolve			Performance of monthly payroll reconciliation by June 2024	Monthly reconciliations not performed by the 7th day of each month	Monthly review of payroll reconciliation by the 7th working day of each month	Number of monthly reviewed payroll reconciliations	4. 2. 5	0. 25	12 Signed monthly payroll reconciliation	R -	R -	N/A	N/A	12 monthly reviewed payroll reconciliation by June 2023	12 months monthly payroll recons (July to June) were prepared and signed	12 monthly reviewed payroll reconciliation by June 2024	12 months monthly payroll recons (July to June) were prepared and signed by June 2024.	R -	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	Outdated Policies	Annually Review of sectional Policies by June 2024		Reviewing sectional policies by June 2024	Sectional policies that are not reviewed annually	Review and adopt accounts payable policy.	Number of reviewed policies	4.2.6	0.25	01 Reviewed and signed Accounts Payables Policy, resolution extract	R -	R -		N/A	1 Reviewed Accounts Payables policy and presentation to the relevant stake holders by 30 June 2023	Payables accounts policy was reviewed and presented to council	1 Reviewed Accounts payable policy by June 2024	Accounts payable policy was reviewed and approved by council on the 20 May 2024.	R -	Achieved	N/A	N/A	N/A
Supply Chain Management	No clear monitoring of the procurement plan	To have fully capacitated Supply Chain Management Personnel and effective procurement system by June 2024		Monitoring and adherence to procurement plan by June 2024	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Number of monthly reports on the monitoring of the procurement plan	4.3.1	0.25	Signed report by the SCM Manager and CFO	R -	R -	N/A	N/A	12 monthly reports on the monitoring of the procurement plan by June 2023	12 monthly SCM Reports were prepared	12 monthly reports on the monitoring of the procurement plan by June 2024	12 monthly reports on the monitoring of the procurement plan.	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	The municipality needs to comply with all statutory training requirement	To have fully capacitated Supply Chain Management Personnel by June 2024		Training of Supply Chain Management Personnel and communication of all updates on SCM matters by June 2024	Officials operating with outdated information relevant to their sections	Training of SCM Officials	Number of trained SCM personnel	4.3.2	0,25	Attendance registers, concept document	R 100 000,00	R60 000	R60 000	N/A	Capacity of at least 2 SCM personnel on Municipal Financial Software updated and relevant modules, general information on the system and newly introduced modules 2022/2023 by	4 SCM Officials were trained on a new Contract Management module by Munsoft by 30 June 2023.	2 SCM officials trained on Munsoft and SCM regulations by 30 June 2024.	3 SCM officials trained on Munsoft system and SCM Regulations.	R 18 630,00	Achieved	N/A	N/A	N/A

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Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
				Training of Supply Chain Management Personnel on newly promulgated PPPFA Regulations	BEE certificates discontinued requiring municipalities to develop their own mechanisms	Training of 2 SCM officers on newly promulgated PPPFA Regulations	Number of SCM officers trained	4.3.3	0,25	Attendance registers, concept document	R 50 000,00	R 50 000,00	R 50 000,00	N/A	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	SCM Manager and SCM officer wrote 1 exam each.	02 SCM Officers trained to PPPFA regulations by June 2024.	2 SCM officers Virtually trained on PPPFA Regulations (SCM and Asset Management Forum attended).	R -	Achieved	N/A	N/A	N/A
	Inadequate contract management processes	To have an effective contract management system by June 2024		To develop contract management mechanisms for all BTO contracts	Non-compliance with s116 of the MFMA	Monthly monitoring reports for all extended contracts.	Number of monitoring reports for all extended contracts	4.3.4	0,25	12 monthly signed monitoring reports	R -	R -	N/A	N/A	12 monthly reports on the monitoring of the procurement plan by June 2023	12 monthly SCM Reports were prepared	12 monthly monitoring reports for all extended BTO contracts by 30 June 2024	Only insurance and Debt Collection Contracts were monitored Six (6) reports were prepared	R -	Not Achieved	The target was incorrectly crafted to only focus on ext	N/A	The target has been corrected in the 2024/25 SD BIP





KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	No effective schedule of bid committee sittings			Developing mechanisms to monitor sitting of bid committees by June 2024	Bid committees sitting randomly	Schedule of sitting of bid committees	Schedule of bid committee sittings with confirmed dates	4.3.6	0,5	12 Signed schedules of sitting, 36 seated Bids and BAC registers	R -	R -	N/A	N/A	Schedule of seating of bid committees ensuring each bid is concluded within 60 days of the tender closing by June 2023	12 scheduled for bid committee seating were prepared and signed and, 98 bid committee seated within 60days from the date of adverts.	12 Schedule of Bid committee sittings and 36 Seated bid committee ensuring each bid is concluded within 60 days of the tender closing by June 2024	12 scheduled for bid committee seating were developed and signed . 2.67 seated bid committees.	R -	Achieved	N/A	N/A	N/A
	Inadequate contract management	To have valid and closely monitored municipal		Review of all existing contracts	Contracts only approved at year end	Contract register reviewed monthly	Number of contract registers	4.3.7	0,25	12 monthly signed contract	R -	R -	N/A	N/A	12 monthly contract regist	12 monthly contract regist	12 monthly contract regist	12 monthly contract regist	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action			
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved						
	processes	contracts by June 2024		by June 2024			reviewed monthly			registers						ers reviewed by June 2023	rs were prepared and reviewed.	ers reviewed by June 2024	rs reviewed.							
	Outdated Policies	Annually Review of sectional Policies by June 2024		Reviewing sectional policies by June 2024	Sectional policies that are not reviewed annually	Reviewal and adoption of existing sectional policies.	Number of reviewed policies	438	0,25	Reviewed and Signed of Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy and Framework for Infrastructure Development Management Policy, resolution extract	R-	R-	N/A	N/A	04 Reviewed existing sectional policies and presentation to the relevant stakeholders by 30 June 2023	SCM Policy, Contract Management policy, Cost Containment Policy and Framework for infrastructure development management policy were reviewed by 30 June 2023.	3 reviewed SCM policies by June 2024	Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy were reviewed and approved by council 20 May 2024.	R-	Achieved	N/A	N/A	N/A			

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	K P I N o.	K P I W e i g h t	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Asset Management	Financial statements with non-compliance with laws	To achieve a clean audit by June 2024	To have a complete GRAP compliant fixed Asset Register by June 2024	To have an accurate GRAP compliant Asset Register by June 2024	Accurate and complete Fixed Assets Register as at 30 June 2022 with no Audit Findings	Performance of monthly reconciliations between FAR and GL within 5 working days after month closure.	number of reconciliations approved and reviewed	4.4.1	0.25	12 monthly Fixed Assets reconciliation signed.	R -	R -	N/A	N/A	12 monthly reviewed and approved Fixed Assets reconciliations, by June 2023	12 monthly Fixed Assets reconciliations were prepared and reviewed by 30 June 2023.	12 Reviewed and approved Assets reconciliations by June 2024	12 Reviewed and approved Assets reconciliations.	R -	Achieved	N/A	N/A	N/A
					GRAP Compliant asset register as at 30 June 2024	Review and submission of the GRAP compliant fixed asset register	GRAP compliant fixed asset register	4.4.2	0.5	Signed GRAP compliant Fixed asset register, Proof of submission to AG, RFI and Coaf Register	R 1 684 800,00	R 2 484 800,00	R1 884 800,00	R600 000,00	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	Asset Register was submitted to AG by 31st August 2022. AG responses were submitted within the average of	Submission of GRAP compliant asset register to AG by June 2024	GRAP Compliant Asset Register was submitted to AG by 31st August 2023.	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																								
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	K P I N o.	K P I W e i g h t	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
																2 days.								
					All assets recorded in the FAR do exist and valued accurately by June 2024	Approved Assets Verification Report as at 30 June 2022	Quarterly performance of Assets verification process before the end of the following month after the end of the quarter.	Number of signed and approved quarterly Assets Verification Reports	4.4.3	0,25	4 Reviewed and signed Assets Verification Reports	R -	R -	N/A	N/A	4 Signed and approved Quarterly Assets Verification Reports by June 2023	4 quarterly Physical verification for all Assets in our FAR were done by 30 June 2023.	4 Reviewed and approved Assets Verification Reports by June 2024	4 Reviewed and approved Assets Verification Reports.	R -	Achieved	N/A	N/A	N/A
					Council approved assets write off report as at 30 June 2022	Removing of previously disposed assets from municipal operational facilities	% of removed disposed assets.	4.4.4	0,25	A signed report	R -	R -	N/A	N/A	Complete GRAP compliant FAR by 30 June 2023	All Identified assets were removed from the municipal premises	100% removal of disposed assets by 30 June 2024.	100% assets identified for disposal, identified assets were also removed from the municipal properties.	R -	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
				Basis and assumptions on which assets are accounted for to be well documented and approved by June 2024	Audited PPE methodology as at 30 June 2022 with no audit findings.	Preparation and approval of a PPE (movable assets) Methodology	Number of approved PPE (movable assets) Methodology	4.4.5	0.25	01 PPE (movable assets) methodology signed and approved by CFO	R-	R-	N/A	N/A	1 Approved PPE (movable assets) Methodology by 30 June 2023	The PPE (movable assets Methodology) was prepared and reviewed by June 2023.	01 Reviewed and approved PPE Methodology by 30 June 2024	01 PPE (movable assets) methodology signed and approved by CFO.	R-	Achieved	N/A	N/A	N/A
				Monthly update on inventory movements by June 2024	Inventory report and listing as at 30 June 2022	Performance of monthly Inventory reconciliations within 5 working days after month closure.	Number of Reviewed and approved performance of Inventory reconciliations	4.4.6	0.25	12 Reviewed and signed Inventory reconciliations	R-	R-	N/A	N/A	12 reviewed and signed monthly Inventory reconciliations by June 2023	12 inventory reconciliations were reviewed.	12 Reviewed and approved Inventory reconciliations by June 2024	12 Reviewed and approved Inventory reconciliations.	R-	Achieved	N/A	N/A	N/A
				Inventory updates once every quarter by June 2024	Approved Inventory Count report as at 30 June 2022	Quarterly performance of Inventory count process before the end of the	Number of performed, Reviewed and approved	4.4.7	0.25	4 Reviewed and approved Inventory Count	R-	R-	N/A	N/A	4 Reviewed Inventory Counts with Repo	4 Inventory counts were performed and	4 Performed, Reviewed and approved	4 Performed, Reviewed and approved	R-	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
						following month after the end of the quarter.	ved Inventory Count with Reports			Reports					rts by June 2023	reviewed by 30 June 2023.	oved Inventory Count Reports by June 2024	Inventory Count Reports.					
	All council assets need to be fully insured to ensure going concern assumption of the municipality is not at risk.	To ensure that the municipality has an active insurance policy by June 2024		Valid Insurance contract for municipal assets	Continuous extension of municipal insurance	Insuring of municipal assets	Provision of insurance services.	4.4.8	0,5	Annual Insurance schedule, proof of payment	R 3 776 052,00	R 3 267 552,00	R 3 267 552,00	N/A	Appointment of service provider for the provision of insurance services for a period of 36 months by June 2023	The bid specification committee, bid evaluation committee was appointed. The were no responsive bidders. The bid was then re-advertised many times with no	Insurance services provided for municipal assets by June 2024.	Insurance services provided for municipal assets.	R -	Achieved	N/A	N/A	N/A

KPA NO 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																positive response.							
	Municipality that is operating smoothly with enough operational material	To ensure that municipality has stationery available when needed by June 2024		Valid contract for provision of municipal stationery	Municipality have an existing contract for 12months	To supply stationery	% supply of required stationery for municipal operations	4.4.9	0,25	Authorized Stock issue form	R 1 816 212,00	R 2 020 620,00	R 2 020 620,00	N/A	Appointment of service provider for the supply and delivery of municipal stationery by June 2023	The bid went for an re-advert an it was closed on 5 Dec 2022. The service provider to supply stationery for the period of 12 months has been appointed.	100% supply of required stationery for municipal operations	100% supply of required stationery for municipal operations	R 1 365 387,43	Achieved	N/A	N/A	N/A
	Outdated Asset and Inventory Management	Review of Asset and Inventory Management Policies		Annual review Asset and Inventory Management	Reviewed and approved Asset and Inventory Management	Reviewal of existing Asset and Inventory Management	Number of reviewed and approved	4.4.10	0,25	Signed Asset and Inventory Management	R -	R -	N/A	N/A	2 Asset and Inventory Management	Asset and Inventory Management	2 Asset and Inventory management	1 Asset and 1 inventory Management	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
	ment Policies	by June 2024		Policies by June 2024	ment Policies for 2020/21 financial year.	ent Policies	olicies			Policies, resolution extract					nt policies reviewed, approved and signed by June 2023	Policies were reviewed	nt policies reviewed and approved by council on the 20 May 2024.						
	All council assets need to be well managed effectively.	Compliance with the requirements of MFMA section 63 by June 2024		Reviewal of an effective Asset Management Plan by June 2024	None	Reviewal of Asset Management Plan	Number of Reviewed Asset Management Plan	4.11	0.25	Reviewed assets management plan	R-	R-	N/A	N/A	1 Developed Asset Management Plan by 30 June 2023	Asset Management Plan was developed reviewed and signed by the CFO	1 Reviewed and signed Asset Management Plan by 30 June 2024	1 Asset Management Plan Reviewed and signed.	R-	Achieved	N/A	N/A	N/A
Reporting	Financial statements with non-compliance with laws	To compile Annual Financial Statements that comply with all requirements by	4.5	Develop sound, strict and effective procedures for the compilation of AFS by	Audited Annual Financial Statements for 2021/22 with compliance findings	Development and approval of processes and procedures for compilation of Compliant	Credible Annual Financial Statements	4.5.1	0.5	AFS, Proof of case ware payment, Interim Financial	R 200 000,00	R 200 000,00	R 200 000,00	N/A	Credible and fully compliant Annual Financial State	The AFS file was rolled forward and AFS Plan was monitored	Credible and fully compliant Annual Financial State	The AFS plan was monitored on a weekly basis. The roll	R226 430.11	Achieved	N/A	N/A	N/A



KPA N0 4: BTO																									
S u b- R e s u l t A r e a	Issue	Strategic Objectiv e	Obj ectiv e No.	Strategie s	Baseline Informati on	Project to be Implemen ted	Outp ut - KPI	K PI N o.	K PI W ei gh t	Means of Verific ation	Budge t	Adjuste d Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Re aso ns for Var ian ce	Re aso ns for Bud get Var ian ce	Re me dial Act ion		
													Intern al	Extern al	Ann ual Targ et	Actual Perfor manc e Non- Finan cial	Ann ual Targ et	Actual Perfor manc e Non- Finan cial	Actual Financial	Achi eved / Not Achi eved					
		June 2024		June 2024		annual financial statemen ts.	subm itted			statem ents					ment s as at 30 June 2022 submi tted by 31 August 2022 by June 2023	red to meet the target deadli nes for 2021/ 22.An nual Financ ial State ment were submit ted to AG.	ment s subm itted by 30 June 2024	forwar d of AFS was done during the period of prepar ing the 2022/2 3 Financ ial statem ents. The Case ware licence has been renew ed and paid							
		To achieve a clean audit by June 2024		Manage audit and ensure audit readiness by June 2024	Audited Annual Financial Statemen ts for 2021/22 with complan ce findings	Manage the external audit by the office of the Auditor General to ensure smooth running	Mana ged extern al audit and ensur e audit readi ness to achie ve	4. 5. 2	0, 25	Proof of submis sion to AG, COAF registe r, Audit Action Plan, update d Audit	R 5 475 600,00	R 5 475 600,00	R 5 475 600,00	N/A	Mana ge the extern al audit and ensur e audit readi ness to achie	AG corres ponde nces were respo nded to within avera ge of 2 days, the	Mana ge the extern al audit and ensur e audit readi ness to achie	2022/2 3 Annual financi al statem ents were submit ted to AG by the 31 August 2023.	R -	Achi eved	N/A	N/ A	N/A		

KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
							clean audit opinion			Action Plan					ve clean audit opinion by 30 June 2023	Municipality have received 28 RFI and 4 CoAF.	ve clean audit opinion as at 30 June 2024	AG issued 70 RFI and were responded to within an average of 3 days and 25 COAF all of them were responded within 5 days. The Audit Action planned was developed and a tabled to council for approval. It has been shared with depart					



KPA NO 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																		date by all relevant officials.					
				Performance of Monthly bank reconciliations by June 2024	Reconciliations not always completed within times	Performance of monthly reconciliations by the 7th working day of each month	Number of Reviewed bank reconciliations	4.5.3	0,25	12 Signed monthly Bank Reconciliation	R -	R -	N/A	N/A	12 Reviewed monthly bank reconciliations by June 2023	12 monthly bank reconciliations were reviewed and signed	12 Reviewed bank reconciliations by June 2024	12 Reviewed bank reconciliations.	R -	Achieved	N/A	N/A	N/A
	Non-compliance with statutory requirements	Adhere to compliance in terms of management and reporting by June 2024		Preparation and submission of all in-year statutory reports which is section 71,52d and 72 of the MFMA and FMG monthly and quarterly Reports	Reports not submitted on time	Submission of s71 Report not later than 10 working day of each month	Number of signed s71 Reports and monthly FMG report submitted	4.5.4	0,25	Proof of submission of 12 signed s71 Report and 12 signed FMG report	R -	R -	N/A	N/A	Submission of 12 s71 and 12 monthly FMG Reports by June 2023	12 s71 and 12 monthly FMG Reports were submitted.	Submission of 12 signed s71 Reports by 30 June 2024	Submission of 12 signed s71 and 12 monthly FMG Reports.	R -	Achieved	N/A	N/A	N/A
				Submission of s52d and quarterly Reports		Submission of s52d reports within 30 days of the end of	Number of signed s52d and	4.5.5	0,25	Proof of submission of 4 Signed	R -	R -	N/A	N/A	Submission of 4 s52d reports and	4 s52d Quarterly and 4 FMG Report	Submission of 04 signed	Submitted 04 signed s52d	R -	Achieved	N/A	N/A	N/A

KPA N0 4: BTO																								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
				by June 2024		each quarter	quarterly FMG Reports submitted			s52 Reports and 4 FMG Quarterly Reports					4 Quarterly FMG Reports within 30 days of the end of each quarter by June 2023	were prepared and submitted within 30days.	s52d Reports by 30 June 2024	Reports.						
						Submission of s72 report by the 25th of January 2024	Number of Submitted mid-year assessment report	4.5.6	0.25	Proof of submission	R-	R-	N/A	N/A	Submission of the s72 report by the 25th of January 2023	s72 Report was prepared and submitted to Council by the 25th January 2023	Submitted1 s72 Report (Mid-Year assessment Report) by 25 January 2024.	R0	Achieved	N/A	N/A	N/A		
Budgeting	The municipality needs to	Adhere to compliance with Municipal	4,6	Training of new finance official on Minimum	Appointed interns and new	Training of newly appointed FMG Interns	Number of trained financial	4.6.1	0.25	Proof of registration of 3	R 174 000,00	R 315 996,00	N/A	R 315 996,00	Training of 3 financial	One intern and one accou	Enrolling 3 financial manag	Three (3) financial manag	R 315 996,00	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																								
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved				
	comply with all statutory budgeting and reporting requirements	Regulations on Minimum Competency levels		Competency levels	accountants	and finance officials to meet minimum competency requirements	cial management interns and finance staff to meet minimum competency requirements			interns and Attendance register					management interns and 1 finance staff to meet minimum competency requirements by June 2023	ntant were enrolled on CPMD third year. Three interns and one accountant were attending the CPMD .	gement interns were enrolled to meet minimum competency requirements and training provided by June 2024	ement interns were enrolled and attended training for minimum competency.						
	To timely produce budgets in line with the National Treasury guidelines and regulations by June 2024			Develop and monitor processes to ensure timely preparation and publication of credible municipal budgets by June 2024	Adjustments budget approved by 28 February 2024 and draft budget approved by 31 March 2024; final budget approved 31 May 2024	Compile three budgets to be approved by council	Number of Approved budgets	4.6.2	0.5	Adjustment budget 23/24; Draft budget 24/25; Approved 24/25 Final Budget and Council resolutions	R-	R-	N/A	N/A	3 Approved budgets by June 2023	The municipality had 2 Adjusted budget one adopted by council on the 30 August 2022 and 27th February	Approved Adjustment , Draft and Final Budget by June 2024	Adjustment budget for 2023/24 was adopted by council on the 27 February 2024. The Draft budget was tabled	R0,00	Achieved	N/A	N/A	N/A	

KPA N0 4: BTO																							
S u b- R e s u l t A r e a	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
																2023. The Draft budget was tabled to council on the 31 March 2023. The Final budget for 2023/24 was approved on the 26 May 2023			to council on the 27 March 2024				
					non-publication of budget approved by council	Publication of approved budgets	Number of publicized approved budgets	4.6.3	0,5	3 Advertis	R 65 928,00	R 65 928,00	R 65 928,00	N/A	Publication of 3 approved budgets June 2023	Two Adjusted budgets were advertised on one local newspaper on the 9th Sept 2022	Publication of Adjustment, Draft and Final Budget by June 2024	The adjusted budget was published on the 1 March 2024. The draft budget was published on	R 12 380,70	Achieved	N/A	N/A	N/A





KPA N0 4: BTO																							
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding Year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual Performance Non-Financial	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
						stakeholders				on extract						presentation to the relevant stakeholders by 30 June 2023	presentation to the relevant stakeholders by 30 June 2023	adopted by 30 June 2024	council for adoption on the 20 May 2024.				

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved / Not Achieved			
Integrated Development Planning	To comply with section 32 of the Municipal Systems Act	To ensure development of credible (accredited by MEC,	5.1	By developing an IDP process plan, by conducting public participation	An assessed credible IDP document adopted by council	Development of annual reviews of IDP adopted by the	Council resolutions on adoption of annual IDP reviews	5,1,1	0,5	Council resolution on adoption of IDP Process Plan for 2024/25 review. Mayoral Imbizo Commen	R735 276,00	R1 308 196,00	R1 308 196,00	N/A	Council Approved IDP review for 2023/24 by May 2023	IDP, PMS & Budget Process plan was developed and adopted by Council on the	Council approved IDP review for 2024/25 by June 2024	IDP, PMS and Budget process plan was developed and adopted by Council on the 30th	R763 235,00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved					
		NT) IDP review s-aligned with PMS & Budget by June 2027  Achieved through IDP process plan by June 2027		process. By ensuring alignment of budget to the IDP by June 2024	1 May 2023	Council				ts & attendance registers. Council resolution on adoption of draft IDP review for 2024/ 2025. Council resolution on Adoption of final IDP review for 2024 / 2025							30th August 2022. All the phases in the process plan were followed up to the adoption of the Final IDP review for 2023/2024 financial year, adopted by council on the 26th of May 2023. Final IDP was then publicized on the local newspaper, municipal website and submitted		August 2023 and was publicised to stakeholders. Mayoral Imbizo campaigns were conducted, to give feedback on implementation of 2023/24 IDP, on the 31st October - 06 November 2023. Draft IDP was noted by Council on the 27th March 2024 and was publicized for public comments, IDP & Budget roadshows were						



KPA N0 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved					
	regulations	ensure a culture of accountability, performance excellence & monitoring by June 2027		June 2024	its structures	structures for consideration	l and its structures for consideration									ion for the 2022/23 Financial Year by June 2023	council on 28 July 2022.  Q1 Performance report was compiled and adopted by council on the 31/10/2022.  Mid-Year Performance Report 2022/23 was compiled and adopted by Council on 30 January 2023  Quarter 3 Performance Report was	es for consideration for the 2023/24 Financial Year by June 2024	for consideration on 02 August 2023.  Quarter 1 Performance report was compiled and tabled to council for consideration on 30 October 2023.  Mid-Year Performance Report for 2023/24 was compiled and tabled to council for consideration on 30 January 2024.  Quarter 3 Performance						

KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																	consolidated and adopted by Council on the 28/04/2023		Report was compiled and tabled to council for consideration on 30 April 2024.					
				By facilitating formal performance assessments by June 2024	2 performance assessments	2 performance assessments conducted	Number of performance assessments conducted	5,2,2	0,25	Signed self-assessment sheets, assessment report Invite and Attendance register	R0,00	R0,00	N/A	N/A	2 Performance Assessments conducted by June 2023	1 Formal performance assessment was done on two dates - for Senior Managers on the 12th December and for the MM on the 27th December 2022. 1 Informal performance assessment (Mid-	Two Performance Assessments conducted by June 2024	1 Formal performance assessment for S56 managers was conducted on 7th December 2023 and MM on the 20th December 2023. 1 Informal Mid-year Performance assessment for 2023/24FY was conducted on 31	R0,00	Achieved	N/A	N/A	N/A	

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved					
																	year 202/23FY) for 4 senior managers were conducted.	January 2024 by MM and all senior managers.							
				By Facilitating compilation of the 2022/23 annual report by June 2024	2021/2022 annual report adopted by council by May 2023	Completion of the annual report	Number of Annual reports adopted by council	5,23	0,25	Annual Performance report 2022/2023, Council extract, Attendance register and oversight report with Council extract	R130872,00	R0,00	R0,00	N/A	2021/2022 annual report adopted by council by May 2023	Annual Performance Report was adopted by Council on the 30th August 2022. Printing & Binding of the Annual Report 20/21 was done and 120 Annual Report copies were delivered on the 28th September 2022.	Printing and binding 1 Annual report for 2021/2022, Develop 1 annual report for 2022/2023FY adopted by council by June 2024	Annual report 2021-22FY has been printed and binded and books were delivered on 29 September 2023. Draft Annual Report 2022/23 was noted by Council on the 30th January 2024. It was further published on East Griqualan	R79500,00	Achieved	N/A	N/A	N/A		



KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
				By developing and maintaining a financially viable and sustainable institution that achieves full compliance with legislation	1 final SDBIP and 1 Adjusted SDBIP	SDBIP Approval	Number of SDBIP's approved by the Mayor	5,24	0,25	Signed approved SDBIP	R0,00	R0,00	N/A	N/A	N/A	N/A	1 Approved SDBIP by the Mayor by June 2024.	1 Approved SDBIP 2024/25 Final SDBIP has been developed and approved by the Mayor on 14 June and tabled to council for noting on 20 June 2024.	R0,00	Achieved	N/A	N/A	N/A



KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
Internal Audit	To comply with Section 165 of the MFMA	To promote good governance within the institution by June 2027	5.3	By reviewing adequacy and effectiveness internal control and compliance with laws and regulations by June 2024.	Audit Committee approved Internal Audit Plan and Adhoc assignments for 2022/23	completion of IA reports	Number of Internal Audit reports	5,3,1	0,25	Internal Audit Reports	R1 962 480,00	R1 854 480,00	R1 854 480,00	N/A	20 Internal Audit Reports produced and Approval of Internal Audit Plan by June 2023	22 Internal Audit reports produced: APR, AFS review, S&T Q1, Expenditure Q1, Contract management Q1, Audit Tracker, Revenue Report Q2, Loss Control Report Q2, Good Governance Q2, Budget and Reporting report Q2, S&T report Q2, Infrastructure Q3, Loss Control Q3,	20 Internal Audit Report produced by June 2024	32 reports were completed 1. ICT Q4 Report 2. ICT follow-up Q4 report 3. Overtime Management Q4 report 4. Expenditure Management Q4 report 5. S&T Q4 report 6. PMS Q4 report  1. Disaster management Q1 2. Good Governance Q1 3. Inventory Management as at 30 June 2023 4. PMS	R1 241 751,16	Achieved	N/A	N/A	N/A





KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
						Coverage Plan for 2023/24				minutes, attendance register					by June 2023	review, S&T Q1, Expenditure Q1, Contract management Q1, Audit Tracker, Revenue Report Q2, Loss Control Report Q2, Good Governance Q2, Budget and Reporting report Q2, S&T report Q2, Infrastructure Q3, Loss Control Q3, Overtime Management Q3, Revenue Manage	by June 2024	Committee on the meeting held virtually on the 11 September 2023					





KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
					Risk Management Policy	Review of the risk management policy	Council Resolution adopting Risk Management Policy	5,4,2	0,25	Council extract, reviewed risk management policy						Audit Committee adopted Risk Management report and Council resolution adopting risk management policy by June 2023	Risk workshop was conducted on the 21-22 July 2022, Risk Management Report was compiled	1 Approved Risk Management Policy by June 2024	1 Risk Management Policy was approved adopted by Council on the 27 June 2024	R0,00	Achieved	N/A	N/A	N/A
Fraud and Corruption	To comply with Prevention and Combating of Corrupt activities Act 12 of 2004	To combat and defeat the fraud and corruption within the WMM Local Municipality by June 2027	5.5	By implementation of the Fraud and Anti-Corruption policy. By conducting awareness campaigns with all relevant stakeholders by		Review of Fraud and Anti-Corruption policy.	Fraud and Anti-Corruption policy adopted by council.	5,5,1	0,25	Council extract, reviewed fraud & anti-corruption policy					Fraud and Anti-Corruption Policy adopted by Council and 2 Fraud and anti-corruption Awareness campaigns by June 2023	Fraud and anti-corruption awareness were conducted on the 13.09.2022, 05.12.2022 and 31.05.2023	Fraud and Anti-Corruption Policy adopted by Council by June 2024.	Draft fraud and anti-corruption policy was developed and not adopted by council	R0,00	Not Achieved	Draft policy was erroneously left out during policy submission period	N/A	To be submitted during Quarter One	
					2	Fraud awareness campaigns	Conducting fraud anti-corruption aware	Number of awareness campaigns	5,5,2	0,25	Attendance Register						Fraud and Anti-Corruption Policy adopted by Council and 2	Fraud and anti-corruption awareness was conducted	2 fraud and anti-corruption Awareness	2 Fraud and Anti-corruption awareness campaigns	R172419,12	Achieved	N/A	N/A

KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
				June 2024	conducted	ness campaigns	conducted									Fraud and anti-corruption Awareness campaigns by June 2023	ed on the 13.09.2022, 05.12.2022 and 31.05.2023	campaigns conducted by June 2024.	was conducted on the 13, 14 & 15 September 2023 at Sinawe Hotel and Boutique in Nyanisweni Location and 12th of June 2024 at San Lameer					
Ethics	To comply with Code of Ethics and Municipal Systems Act 32 of 2000	To instill the moral regeneration within the councilors and employees of the Municipality	5,6	By conducting ethics and values awareness campaigns thereby complying with Municipal Systems Act 32 of	2 awareness campaigns conducted	Ethics and values awareness campaigns	Number of awareness campaigns conducted	5,6,1	0,25	Attendance Register						2 Ethics awareness campaigns conducted by June 2023	Ethics awareness was conducted on the 6th December 2022 and 31st of May 2023	2 Ethics awareness campaigns conducted by June 2024	2 Fraud and Anti-corruption awareness campaigns was conducted on the 13, 14 & 15 September 2023 at Sinawe Hotel and Boutique in Nyanisweni	Achieved	N/A	N/A	N/A	



KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved						
				2000 as well as Code of Ethics by June 2024														Location and 12th of June 2024 at San Lameer								
Audit Committee	To comply with section 166 of the Municipal Finance Management Act	To advise the municipal council on the adequacy and effectiveness of the systems of internal controls by June 2027	5,7	By advising on risks, financial, internal controls, performance information and Annual Financial Statements as well as policies by	2 advisory reports relating to the effectiveness of risk management and internal controls as well as Annual Financial Statements	Annual Report relating to the effectiveness of risk management and internal control and review of Annual Financial Statements	Council Resolution on adoption of Audit Committee's report	5,7,1	0,25	Signed Annual Report	R561 744,00	R5 81 744,00	R5 81 744,00	N/A	Audit committee annual report for 2021/22 and 4 Audit committee meetings conducted by June 2023	5 Audit committee meeting held as follows: 03 August 2022, 29 August 2022, 28 February 2023, 29 May 2023	Audit committee's annual report for 2022/23 by June 2024	Audit Committee's annual report for 2022/23 financial year was signed and submitted for inclusion in the annual report of the Municipality	R211 675,00	Achieved	N/A	N/A	N/A			

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
				June 2024.	6 Audit Committee meetings	setting up of Audit committee meetings	Number of audit committee meetings held	5,7,2	0,25	Attendance Register, Minutes of the meeting								4 audit committee meetings conducted by June 2024	Audit Committee meetings were held as follows: 1. 18 August 2023 - Ordinary 2. 30 August 2023- Special 3. 11 September 2023 - Special 4. 17 November 2023- Ordinary 5. 13 March 2024 - Ordinary 6. 28 June 2024	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
SPECIAL PROGRAMS UNIT	To improve participatory democracy and inclusiveness	To coordinate mainstreaming of special groups and support by June 2027	5,8	By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of young people in all government programmes by June 2024	8 Council approved programmes targeting and in support of young people	Support Functioning of SAYC, Young Entrepreneur Development Program, Initiation Support, Career Exhibition, Mayor Schools Achievement Awards, Initiation Awareness campaigns and Youth Month	Number of Council Approved Youth Programmes implemented	5,8,1	0,25	concept documents, attendance registers, delivery note, distribution register	R 1 533,840.00	R1 631 184,00	R1 631 184,00	N/A	8 Council Approved Youth programmes implemented by June 2023	1. Support of functioning of SAYC was held at Hluma Lounge on the 01 September 2022 2. Initiation awareness campaign was held at Mbizana Sport field Next to cultural village on the 22 September 2022 3. Initiation Support: Traditional Male Circumcision Worksh	9 council approved Youth programmes implemented by June 2024	1.Support of functioning of SAYC was held Youth Summit at Estuary hotel on the 29-30 January 2024 2. Initiation awareness campaign was held at Hewu Traditional Council at 13 September 2023 3. Young Entrepreneur Development Program will be held from the 29/11/2023 & 01/12/2023 4. The Initiation	R 1,730,495.16	Achieved	N/A	Some Activities that were conducted was not planned on SDBIP, it was intervention from the Mayor as they requested her to intervene.	N/A















KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
																	June 2023 and 28 June 2023.							
				By coordinating special groups forums, internal and sector department to contribute towards mainstreaming of elderly in all government programmes by June 2024	3 Council approved programmes targeting and in support of elderly	Support to elderly centres, elderly wellness campaign and support to functioning of elderly forum	Number of council approved elderly programmes	5,8,3	0,25	concept documents, attendance registers, delivery note and distribution registers	R 410,100.00	R365,100,00	R365,100,00	N/A	3 Council Approved Elderly programmes implemented by June 2023	1. support of Elderly centres: handing over of kitchen tools was conducted at Zwelitsha old age ward 04, Khananda civic centre ward 22, Dikeni old civic centre ward 19. 2. Elderly wellness campaign was conducted at Bizana Sport field on	3 council approved elderly programmes implemented by June 2024	1. Support of Elderly centres: handing over of Sewing Material kit was conducted at Mthayise old age home 02/11/23, Mhlabeni 31/10/23 older persons centre and Mgcinephila 31/10/23 old person projects 2. Elderly wellness campaign was conducted at Bizana	R 321,420.00	Achieved	N/A	N/A	N/A	



KPA N0 5: Good Governance & Public Participation																										
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
				internal and sector department to contribute towards mainst reaming of PWD in all government programme by June 2024	ng and in support of People with Disability	ity Month	programmes			distribution registers						ed by June 2023	Special School was conducted at Hluma Guest Lodge 2. Disability month was conducted at Hluma Guest Lodge on the 2nd of December 2022. 3. Support functioning of PWD Forum was done through the support of Sisikelele Disability Project in ward 16 with 15 bag of	by June 2024	Mzuvukile Disable centre was handed over on 25 October 2023. 2. Disability month was conducted at Snawe Guest House on the 12 December 2023. 3 Support functioning of PWD, Handing over of 120 chicks and feed to Ntsokolweni Coop. as a support of PWD Forum has been conducted on 27 March							

KPA N0 5: Good Governance & Public Participation																										
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	potatoes seeds on the 9 February 2023. 4. Handing over of Machine , Overlock and Sewing Material were handed over to Iphulo Lamampondo Disability Project on the 4 May 2023		2024. 4. Support functioning of PWD Forum was done at Mzuvukile disable centre by handing over diapers and grocery on the 28 May 2024.							
				By coordinating special groups forums , internal and sector department to	6 Council Approved Gender programmes implemented.	Revival of men's forum, women month celebration, 16 days of activism against	Number of council approved gender programmes	5,8,5	0,25	concept documents, attendance registers, delivery note and distribution registers	R638716,00	R638716,00	R638716,00	N/A	6 Council Approved Gender programmes implemented by June 2023	1. Women's month celebrations was held at Lubusi Boutique Hotel on 30th August 2022, 2. Men's forum launch	6 council approved gender programmes by June 2024	1. Women's month celebrations was held at Ward 20 Magqofoza on 30 August 2023, 2. Revival of Men's forum was held	R482.44.08	Achieved	N/A	N/A	N/A			











KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
																	ed budget.		2024 at Oliver Adelaide Tambo Regional Hospital Hall 7. Pondo Revolt Legacy Commemorations conducted on the 24 June 2024 at Ngqindlilli Hill.				
					New indicator	Construction of life size bronze statue	Number of life size statue constructed	5,9,2	0,25	TOR, proof of submission to SCM, inception report, attendance register, Progress report, completion certificate	R1 304 340,00	R1 304 340,00	R1 304 340,00	N/A	.7 Council Approved Legacy programmes implemented and installation of Winnie-Madikizela Mandela Statue by June 2023	1. 67 minutes program was done on 18 July 2022 at ward 3.2. Winnie Madikizela Legacy program took place at ward 14 mbhongi on 14 October. 3.OR	1 Winnie Madikizela Mandela statue constructed in a municipal building by June 2024	0 WMM Statue constructed. Project has been advertised for 3 times and last advert closed on 18 March, it is now on bid committees for evaluation and adjudication	R0,00	Not Achieved	Non-responsive bidders	N/A	Project has been planned for 2024/25 financial year.





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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
																	advert that closed on the 6th July 2023. Evaluation committee sat in August.							
Customer Care	Lack of awareness and commitment on customer care relations	To minimize customer care related complaints and create a customer friendly environment by June 2027	5,10	By enhancing capacity within customer care function by June 2024	Customer Care Policy	Implementation of Customer care policy	Number of Customer care programmes conducted	5,10,1	0,5	concept document, attendance register, updated customer care complaints register, progress report	R573 120,00	R573 120,00	R573 120,00	N/A	8 Customer Care Programs, 4 Customer Care hotline Reports, 2 updated customer complaints register and 2 Customer Complaints Progress Reports by June 2023	First Quarter Customer Care Day conducted on 22 August 2022 Customer Care Outreach on the 13 September 2022 Customer Careline Report Second Quarter 3 Programs conducted: 14 October 2023	8 Customer Care Programs conducted by June 2024.	1. Municipal services Awareness was on the 30 of August 2023 at WMMLM Offices 2. Customer care day was on the 19 September 2023. 3. Customer Awareness was the 16 November 2023 at Greenville-Etyeni Community Hall 4. Customer	R116 000,00	Achieved	N/A	N/A	N/A	





KPA N0 5: Good Governance & Public Participation																									
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action		
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved					
					care email					r care email						complaints register and 2 Customer Complaints Progress Reports by June 2023	Outreach on the 13 September 2022 Customer Careline Report Second Quarter 3 Programs conducted: 14 October 2023 Customer Care Awareness Municipal Services Awareness on the 09 November 2022 Customer Care Day on the 06 December 2022. and Customer Careline	commitment by June 2024							





KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
																	Report and Customer Careline Register						
					Customer Care Satisfaction Survey Report	Terms of reference	Number of reports submitted	5,10,3		Proof of submission to SCM, Draft & Final Customer Care Satisfaction Survey Report	R209400,00	R209400,00	R209400,00	N/A	1 Customer Care Satisfaction Survey Report by June 2023	Customer Care Satisfaction Survey was conducted, final report was tabled to the Exco and to Council	1 Customer Care Satisfaction Survey submitted by June 2024.	1 Final Customer Care Satisfaction Survey was submitted	R195822,00	Achieved	N/A	N/A	N/A
Communications	Ineffective communication	To improve sound communication and public liaison by June 2027	5,11	By implementing various mechanisms of communication within the council approved	Reviewed Communication strategy	Communication Strategy review and implementation	Number of reviewed communication strategy and implemented Action Plan	5,11,1	0,5	Attendance registers, Report, Final communication strategy, Progress report	R860628,00	R860628,00	R860628,00	N/A	Reviewed Communication strategy by June 2023	The communication strategy review session was held successfully on the 08 June 2023	1 Reviewed Communication strategy by June 2024	1 Final Communication Strategy was reviewed. Gaps were identified on Strategy The communication strategy review session was held	R200,000.00	Achieved	N/A	N/A	N/A

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Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action															
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved																		
				communication strategy by June 2024															successfully on the 13 June 2024.																			
					4 newsletters	Compilation of the newsletter	Number of newsletters produced	5,1 1,2			Newsletters, distribution register	R215 676,00	R215 676,00	R215 676,00	N/A	2 newsletters by June 2023	2 Newsletters were produced and distributed by June 2022.	4 newsletters produced and distributed by June 2024	Four newsletters were produced and distributed for 2023/24 financial year.	R180,000	Achieved	N/A	N/A	N/A														
				By implementing communication strategy by June 2024	4 quarterly LCF meetings	Conduct Local Communicator's Forum Meetings	Number of LCF meetings conducted	5,1 1,3			Invitation letters and Attendance Registers	R0,00	R0,00	N/A	N/A	4 quarterly LCF meetings by June 2023	The four LCF meetings were held successfully. Three of them were held face to face and one virtual. The dates for the LCF meetings are 30 August 2022, 01 November 2022,	4 quarterly LCF meetings by June 2024	The four LCF meetings were held successfully All four meetings were held face to face. The dates for the LCF meetings are 28 September 2023, 30 November 2023, 08 February 2024, and 08	R0,00	Achieved	N/A	N/A	N/A														

KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
																	14 February 2023 and the virtual meeting on the 23 June 2023		May 2024.					
Inter-Governmental Relations	Fragmented coordination of government services	To improve coordination of service delivery amongst spheres of government by June 2027	5,12	By implementing IGR terms of reference by June 2024	adopted IGR terms of references and four IGR meetings	Facilitation of IGR meetings	Number of IGR meetings facilitated	5,12,1	0,25	Invitations, minutes & attendance register	R0,00	R0,00	N/A	N/A	4 IGR meetings facilitated by June 2022	IGR meetings were facilitated on 15 September 2022, 25 November 2022, 8 March 2023, 21 June 2023.	4 IGR meetings facilitated by June 2024	4 IGR meetings facilitated and held on 21/09/2023, 08/12/2023, 23/02/2024, 24/06/2024	R0,00	Achieved	N/A	N/A	N/A	
Management of Communicable diseases	Increasing rate of prevalence in number of communicable diseases	To reduce the rate of prevalence of all communicable diseases	5,13	By rolling out awareness on preventive measures of comm	08 awareness campaigns conducted.	Conduct awareness campaigns.	Number of awareness campaigns conducted	5,13,1	0,25	Concept document, Report and attendance Registers	R283704,00	R322452,00	R322452,00	N/A	12 programs conducted in 8 schools on reduced teenage pregnancy and communicable	12 Programmes (Awareness in Sexual Reproductive Health, Individual	06 awareness campaigns conducted by June 2024	1. 2x Awareness for Traditional Health Practitioner were conducted at ward 06, Tsawana	R32,700.00	Achieved	N/A	N/A	N/A	

KPA N0 5: Good Governance & Public Participation																														
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action							
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved										
		es by June 2027		unicable diseases by June 2024												diseases by June 2023	Counselling and Human Papilloma Virus; School Dialogue, Hand-Wash Demonstration and Awareness in Human Papilloma Virus; Pregnancy Awareness, TB Awareness, STI/Condom Awareness, Condom Demonstration; Handwash Hygiene Awareness, Individual Counselling and Referrals) were		Hall (kwaJali) on the 29th of August 2023 and also conducted at ward 16, One Stop (Kwa Madiba) on the 31st of August 2023											
																		2. 2x Awareness Campaigns conducted in the communities at Mngungu Location (Ward 28) on the 11th of October 2023 and at Ntlozelo Location on the 12th October												





KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
					8 programmes conducted	Provide support programmes to Communicable diseases Support Groups	Number of support groups supported	5,13,2	0,5	attendance Registers and reports.						8 HIV/AIDS support groups supported by June 2023	Conducted World AIDS Day on the 29th of November 2022 at kwaKha nyayo Village ward 15. 8 HIV/AIDS Support Groups which were - 1. Joseph Ndisile Foundation on the 10th of January 2023; 2. Linako Home-Based Care on the 11th January 2023; Nomlacu Home-Based Care on the 12th	06 Communicable diseases support programmes provided.	1. 2x Support Groups were visited which was Sizophila Support Group on the 24th of July 2023 and Sinokhanyo Support Group on the 26th of July 2023.	R58,904.00	Achieved	N/A	N/A	N/A





KPA N0 5: Good Governance & Public Participation																											
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action				
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved							
																	January 2023 were supported in order WMMML to have Functional Support Groups. Conducted a Candle Light Memorial Service on the 21st of June 2023 at Multi-Purpose Youth Centre.		2024 and at OR Tambo and Oliver Regional Hospital Hall for Key ready on the 08th May 2024.								
					4NGO supported with health care kits	Provide Health Care Kits to functional NGOs and CBOs. Support PLWH	Number of CBOs, NGO's supported with Health Care Kits and number of	5,1 3,3		Concept document, delivery note, Distribution Register, attendance Register.							2 NGO's supported with health care kits and Personal Protective Equipment and promotional materials and	2 NGO's supported with Health Care Kits and Personal Protective Equipment and Promoti	4 NGO's supported with Health Care Kits and support 1 PLWH by conducting HIV/AIDS	Health Care Kits was delivered to 4 x NGO's on 14/02/2024 which were:	R55,148.00	Achieved	N/A	N/A	N/A		

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action				
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved							
						by conducting Candle Light	supports PLWH by conducting Candle Light									Conducted 1 awareness for Traditional Health Practitioners (THP's) by June 2023	onal Material which were Sansit Health Support supported on the 2nd of December 2022 and Sinokhanyo Home-Based Care where was Hand-over at Hluma Lodge by Mayor. Traditional Health Practitioner Awareness was Conducted at Youth Centre Hall on the 08th of Septem	S Candle Light	Group,								
																	2. Linako Home Based Care,	3. Joseph Ndusile Foundation and	4. Nofefe Community Centre on the 14 February 2024, handed over by Hon. Cllr Mayor at Council Chamber. HIV/AIDS Candlelight Memorial Service was conducted at Ward 2 Mbuthweni Hall on the 22nd May 2024 to support People Living								

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action									
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved												
																	ber 2022 and attended an African Traditional Medicine Day on the 16th of September 2022 at Ntabankulu Local Municipality where THP's were transported and also provided with Lunch pack by WMMML.															
					2 Local AIDS council	Conducting Local AIDS Council.	Number of Local AIDS Council meetings	5,1 3,4		attendance register, concept, invitation, minutes.						N/A	N/A	4 Local AIDS council meetings conducted by	1. Local AIDS Council was conducted on the 15th of August	R19,967.50	Achieved	N/A	N/A	N/A								

KPA N0 5: Good Governance & Public Participation																								
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved				
							conducted.											June 2024	2023 at Council Chamber. 2. Local AIDS Council Meeting was conducted on the 10th November 2023 and also the handover of the certificates by Hon.Cllr Mayor. 3. Local AIDS Council was conducted on the 14th of February 2024. 4. 1 Local AIDS Council was conducted on the 30th April 2024 at Council Chamber.					

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved			
					Distributed 4000 condoms	condom distribution	Number of condoms distributed	5,13,5		Distribution Register	R0,00	R0,00	N/A	N/A	40 000 condoms distributed by June 2023	47 200 Condoms was Distributed on the Tavern; BnB's; Shops; Taxi & Bus Ranks and Municipal Halls	40000 condoms distributed by June 2024.	<b>75000 condoms distributed.</b> 1. 16 700 Male Condoms were distributed to the Taverns; Shops and Communities. 2. 13 500 Male Condoms were distributed to the Taverns and Premises of Municipality. 3. 25 400 Condoms were Distributed to Communities, Taxi & Bus Ranks and Taverns. 4. 19 700 Condoms	R0,00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget Variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
																			were distributed at Bus rank, Taverns and Communities.				
Legal	Centralisation of legal matters	To ensure proper management of legal matters by June 2027	5,14	By implementing council adopted legal risk management and litigation policy by June 2024	Cases on the Litigation Register	Progress reports on litigation performance of cases on the litigation register submitted to the GG Standing Committee	Number of progress reports on litigation performance of cases on the litigation register submitted to the GG Standing Committee	5,14,1	0,25	4 Progress Reports on litigation reports and minutes	R7058874,00	R1500000,00	R1500000,00	N/A	4 Progress reports on cases attended submitted to the GG Standing Committee by June 2023	4 Progress reports on cases attended to submitted to the GG Standing Committee on 31 August 2022, 27 October 2022, 17 February 2023 and 11 May 2023	4 Progress reports on litigation performance of cases on the litigation register submitted to the GG Standing Committee by June 2024	4 Progress reports on litigation performance of cases on the litigation register submitted to the GG Standing Committee on 07 September 2023, 20 October 2023, 09 February 2024 and 24 June 2024	R8590353,00	Achieved	N/A	A substantial amount was set aside and transferred to our attorney's trust account into the civic centre pending finalisation of the arbitration, amount	N/A

KPA N0 5: Good Governance & Public Participation

Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action	
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/Not Achieved				
																							nts were sourced from Legal Fees in respect of unfinished projects of departments. Further Legal Fees do not only cater for litigation matters in the litigation register, Legal fees also effect payments	











KPA N0 5: Good Governance & Public Participation																										
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
																	Ward 23 on 20/10/22 . Ward 20 on 18/11/22 and Ward 26 on 14/11/22. ward 07 on 27/02/23 . Ward 29 on 27/03/23 . Ward 09 on 27/03/23 . ward 31 on 23 May 2023, ward 09 on 25 May 2023 and ward 06 on 28 May 2023.									
					adopted schedule of ward committee structures and	Monitor Ward committee seating	Number of ward committee seating monitored.	5,1 5,3	0,25	Attendance register and monitoring reports						10 community education programs conducted and 12 ward committee sittings	11Community Education Program s: ward 20 on 04/08/22 . Ward 04 on	12 ward committee seating monitored by June 2024.	12 Ward Committee meetings monitored at Ward 25 on the 27th of July 2023.	R0,0 0	Achieved	N/A	N/A	N/A		

KPA N0 5: Good Governance & Public Participation																										
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action			
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved						
					12 ward committee meetings monitored											monitored by June 2023	10/08/22 . Ward 01 on15/08/22. Ward 18 on02/11/22. Ward 28 on03/11/22 and Ward 32 on07/11/22. Ward 08 on 21/02/23 , ward 16 on 22/02/23 , ward 21 on 03/03/23 and ward 02 on 02/03/23 . ward 31 on the 7th of June 2023. 1 Additional Program : Children's Amendment Bill Worksh		Ward 16 on the 25th of August 2023. Ward 8 on the 18th of September 2023. Ward 01 on 26/10/23, Ward 32 on 25/10/23, Ward 17 on 28/11/23, Ward 14 on 24/01/24, Ward 28 on 28/02/24, Ward 13 26/03/24, Ward 19 on the 25th of April, ward 06 on 26th April and Ward 30 on the 23rd of May 2024.							









KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
	Compliance with Section 73 MSA	To ensure coordinated public participation in all municipal programs by June 2027		By facilitating consultative sessions with communities to ensure public involvement in all municipal programs by June 2024	1 Mayoral Imbizo, 1 IDP & Budget roadshow and 1 Annual Report Consultation held	To facilitate consultative sessions with communities	Number of consultative sessions with communities facilitated.	5,1 5,5	0,25	Concept documents, public comments, attendance registers	R182 796,0 0	R182 796 ,00	R182 796 ,00	N/A	To facilitate 03 consultative sessions with communities by June 2023	1 Mayoral Imbizo on the 08th of November 2022. 1 Annual Report Public Consultation was done on 14/03/23 in wards 01 and 09. 1 IDP & Budget roadshow was done on 19-21 April 2023.	Facilitate 03 consultative sessions with communities by June 2024	1 Mayoral Imbizo program was held from 31/10/23 to 06/11/23. 1 Annual Report Public Consultation was conducted on 04/03/24 at Ward 29 and 06/03/24 at Ward 01. 1 IDP & Budget road shows were held from 18 April to the 06th of May 2024 according to cluster.	R40 450,0 0 and IDP Budget	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
Council	Compliance with Sec 18(1) and (2) of Municipal Structures Act.	To ensure proper sitting of Council and Council Committees by June 2027	5,16	By adhering to the council adopted schedule of council meetings by June 2024	Adopted schedule of council meetings and its committee for 2022/2023	Coordinate sitting of Council Meetings and council committees	Number of council meetings and number of council committees convened	5,16,1	0,5	Adopted schedule for 2023/24 FY, Adverts, Notices, Attendance Register	R4 710 840,00	R4 710 840,00	R4 710 840,00	N/A	Adoption of Council meeting schedule and its committee meetings, 4 Council meetings convened and 36 council committees by June 2023	Schedule of meetings was adopted on the 28 June 2022, four (4) council meetings convened and sixty-seven (67) committee meetings held	Facilitate 4 council meetings and 36 council committee meetings by June 2024	Schedule of council and its committees was adopted on the 27 June 2024 for 2024/2025 FY. Four Ordinary Council Meetings facilitated - 30/08/23, 12/12/2023, 27/03/2024, 27/06/2024 and seven Special Council Meetings and seventy-two council committee meetings convened by June 2024	R426 059.00	Achieved	N/A	N/A	N/A

KPA N0 5: Good Governance & Public Participation																							
Sub-Result	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Means of Verification	Budget	Adjusted Budget	Budget Source		Preceding year Performance 2022/2023		Actual Measurable Performance 2023/2024				Reasons for Variance	Reason for Budget variance	Remedial Action
													Internal	External	Annual Target	Actual performance	Annual Target	Actual Performance Non-Financial	Actual Financial	Achieved/ Not Achieved			
By Laws	Compliance with laws and regulations	To ensure proper regulation of the municipal powers and functions by June 2027	5,17	By facilitating review and/or developed Municipal By Laws by June 2024	42 reviewed and gazetted by laws	Reviewing and approval of 5 bylaws by Council	Number of reviewed and approved bylaws	5,17,1	0,25	approved Bylaws, resolution extract	R142 393,00	R6 2 392 ,00	R6 2 392 ,00	N/A	10 Gazetted Municipal by Laws reviewed and adopted by Council by June 2023	10 Gazette Municipal By Laws reviewed and adopted by Council on 27 June 2023; Public Amenities, Nuisance & Behaviour, Indigent Support, Metered Parking, Keeping of Animals, cemeteries, Parks & Recreational, Pound, Beach, Air Quality and Coastal Manage	5 municipal Bylaws approved by Council by June 2024	6 Municipal by Laws reviewed and approved by the council on 27 June 2024	R0,00	Achieved	N/A	N/A	N/A



## CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 17. COMPONENT A: Introduction to Municipal Personnel

#### Employee Totals, Turnover and Vacancies

Employees	2023-2024			
Description	Approved Posts	No. Of Employees	Vacancies	Vacancy Rate in %
Municipal Manager	43	40	03	
Corporate Service	47	46	01	
Budget & Treasury	25	25	00	
Community Services	134	119	15	
Engineering Services	43	40	03	
Development Planning	23	19	04	
<b>Total</b>	<b>315</b>	<b>289</b>	<b>26</b>	

#### Meetings and Administration and Registry Services

For the financial year of 2023/24 the records management unit undertook the following tasks to completion:

- Quarterly trained records end-users on records classification systems requirements and policy reviews
- Facilitated and coordinated awareness's for records end-users on file plan use and proposed file plan revisions.
- Facilitated and coordinated development of inventory of records
- Performed project management working with consultants on inventory work.
- Facilitated and coordinated records management office audit by internal audit office
- Annually records end-user's awareness with file plan referencing, transfer of semi-current and non-current records, as well as records requested kept in registry office.

#### Managing the Workforce

##### Institutional Policies

Human Resources Policies				
	Name of Policy	Completed	Reviewed	Adopted
1.	Staff Establishment (Organisational Structure)	Yes	Yes	28 June 2024
2.	Human Resource Plan	Yes	Yes	28 June 2024
3.	Employment Equity Policy	Yes	Yes	28 June 2024
4.	Workplace Skills Plan	Yes	Yes	28 June 2024
5.	Acting Policy	Yes	Yes	28 June 2024
6.	Attendance & Punctuality Policy	Yes	Yes	28 June 2024
7.	Chronic Illness Policy	Yes	Yes	28 June 2024
8.	Disciplinary Code & Procedure	Yes	Yes	28 June 2024
9.	Employee Wellness Policy	Yes	Yes	28 June 2024
10.	Employment Benefits & Conditions Policy	Yes	Yes	28 June 2024
11.	Recruitment & Selection Policy	Yes	Yes	28 June 2024
12.	Grievance Policy & Procedure	Yes	Yes	28 June 2024
13.	Performance Management & Development System Policy	Yes	Yes	28 June 2024
14.	Job Evaluation Policy	Yes	Yes	28 June 2024
15.	Leave Policy	Yes	Yes	28 June 2024
16.	Placement & Migration Policy	Yes	Yes	28 June 2024

Human Resources Policies				
	Name of Policy	Completed	Reviewed	Adopted
17.	Occupational Health & Safety Policy	Yes	Yes	28 June 2024
18.	Organisational Design Policy	Yes	Yes	28 June 2024
19.	Overtime Policy	Yes	Yes	28 June 2024
20.	Retention Policy	Yes	Yes	28 June 2024
21.	Remuneration Policy	Yes	Yes	28 June 2024

## Suspensions

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of Suspension	Details of disciplinary action taken	Date finalised
Social Services Co-ordinator	<ol style="list-style-type: none"> <li>1. Fraud and Corruption</li> <li>2. Gross Dishonesty</li> <li>3. Unauthorised use of municipal property</li> </ol>	14 November 2023	The employee was charged on the bases of irregular renting of municipal facilities. The employee pleaded guilty. Demotion with financial loss and has since been placed at DLTC.	16 February 2024

## Performance Rewards

There have no performance rewards awarded in the concerned financial year.

## Human Resources and Skills Management

The WMMLM Employee Retention Policy provides guidance and information to Council, Management and Labour in order to effectively implement and promote the retention of staff. In the concerned financial year, the Municipality has achieved the following:

Skills Development Matrix										
Management Level	Gender	Employees in posts as at 30 June 2024	Learner ships		Skills programmes and other short courses		Other forms of training		Totals	
			Target 22-23	Actual 23-24	Target 22-23	Actual 23-24	Target 22-23	Actual 23-24	Target 22-23	Actual 23-24
Municipal Manager & S57 managers	Female	0	0	0	0	0	0	0	0	0
	Male	1	0	0	1	1	0	0	0	0
Councillors & Managers	Female	27	0	0	27	27	27	27	0	0
	Male	37	0	0	37	37	37	37	0	0
Technicians and Associate Professionals	Female	0	0	3	9	9	0	9	9	9
	Male	1	0	2	7	7	2	7	9	11
Others	Female	3	0	0	14	81	0	7	14	88
	Male	3	0	0	13	42	0	7	13	49
Sub total	Female	60	0	2	70	144	27	50	23	97

Skills Development Matrix										
Management Level	Gender	Employees in posts as at 30 June 2024	Learner ships		Skills programmes and other short courses		Other forms of training		Totals	
			Target 22-23	Actual 23-24	Target 22-23	Actual 23-24	Target 22-23	Actual 23-24	Target 22-23	Actual 23-24
	Male	42	0	0	40	87	29	51	22	60
<b>Total</b>		<b>102</b>	<b>0</b>	<b>2</b>	<b>110</b>	<b>231</b>	<b>56</b>	<b>101</b>	<b>45</b>	<b>157</b>

## CHAPTER 5: FINANCIAL MANAGEMENT

The financial disclosure was done by the Municipal Manager, five Senior Managers reporting to the Municipal Manager as well as all SCM Officials of the municipality. Sixty-two Councillors also completed the financial disclosure requirements.

### Statement of Financial Performance

The statement of financial performance prepared by the municipality shows that the municipality has in the 2023/24 financial year continued to record an operating surplus. This may be attributed to increases in the operating grants coupled with recorded savings that might have been as a result of savings on contracted, general expenses and, a decrease recorded in the provision for dumping site rehabilitation as a result of revised figures compared to the annual budget estimates. There were also savings on recorded on non-cash expenditures like depreciation, Impairment losses and debt impairment which may have been as a result of little impairments recorded for the year as initially anticipated as well as improved debt collection measures. This surplus is also as a result of revenue recognised on conditional grants received and spent that were used to create and rehabilitate assets where the corresponding expenditure is reported in the statement of financial position while the revenue recognised goes to the accumulated surpluses to create funding for the amortisation of the corresponding assets over their useful lives.

This statement shows revenue from Exchange Transactions at above R116 million, Property Rates at R21.7 million and grants at more than R421 million. The total expenditure on the other hand shows a total expenditure of R413 million including losses on disposal of assets (see annual financial statements contained in this annual report).

### Grants

Winnie Madikizela-Mandela Local Municipality received grant funding for the 2023/24 financial year as reflected on the Division of Revenue Act 5 2023, Appropriation Act and the Provincial Government Gazette. The grant funding for the year was as follows and all the grants were received: -

Description	2023/24 Adjusted Budget	2024/25 Budget	2025/26 Budget
EQUITABLE SHARE	R 341 204 000,00	R 359 441 000,00	R 356 151 000,00
FINANCIAL MANAGEMENT GRANT	R 2 100 000,00	R 2 100 000,00	R 2 100 000,00
MIG	R 53 584 994,00	R 56 512 000,00	R 59 206 000,00
INEP	R 16 000 000,00	R 25 362 000,00	R 16 180 000,00
EPWP GRANT	R 3 042 000,00	R 2 981 000,00	
DISASTER RELIEF GRANT			



Description	2023/24 Adjusted Budget	2024/25 Budget	2025/26 Budget
GENERAL BUDGET SUPPORT GRANT	R 9 167 825,00		
DISASTER RESPONSE GRANT	R 19 190 000,00		
LIBRARY SUPPORT GRANT	R 500 000,00	R 1 147 000,00	R 1 147 000,00
			R 1 000 000,00
<b>TOTAL</b>	<b>R 444 788 819,00</b>	<b>R 447 543 000,00</b>	<b>R 435 784 000,00</b>

- **Equitable Share:** is utilized mainly for funding operations and could also be used for a smaller portion of capital expenditure
- **Municipal Infrastructure Grant:** is a conditional grant for the funding of municipal infrastructure developments ranging from roads, community facilities and economic development infrastructure
- **Financial Management Grant:** is aimed at building the financial management capacity as well as for the procurement and maintenance of financial systems.
- **Integrated National Electrification Grant:** is a conditional grant used for electrification of rural villages to ensure universal access to the service.
- **Disaster Response Grant:** is a conditional grant availed to the municipality to reconstruct infrastructure damaged by disaster that may have occurred
- **General Budget Support Grant:** is a conditional grant availed to the municipality following applications to support manufacturing in the area through construction of manufacturing hubs

Winnie Madikizela-Mandela Local Municipality received other grant funding for the 2023/24 financial year as indicated in the provincial gazette which has also been included on the total indicated above. The grant funding for the year was as follows and all the grants were received: -

Description	2023/24 Adjusted Budget	2024/25 Budget	2025/26 Budget
LIBRARY SUBSIDY	R 500,000	R 1 147 000	R 1 147 000
<b>TOTAL</b>	<b>R 500,000</b>	<b>R 1 147 000</b>	<b>R 1 147 000</b>

## Asset Management

Asset Management is a component of the Budget and Treasury Office that is a standalone component as Assets and Stores Management with its dedicated human and financial resources. This section ensures that all assets are correctly accounted for, safe guarded and are known exactly according to their locations. Over the years the section has ensured that a GRAP compliant fixed asset register is compiled, that is appropriately unbundled and is able to indicate the description of the assets, their locations, their useful lives, their current status, and a whole lot of other essential information as required. This register is subjected to the audit by the Auditor General to ascertain its credibility and its ability to assist management in managing assets.

## 18. Component B: Spending Against Capital Budget Capital Expenditure

The following table shows the capital expenditure incurred by the municipality for the 2023/24 financial period: -

Description	2023/24 Adjusted Budget	ACTUAL
INFRASTRUCTURE	R 104 775 764,00	R 89 955 058,85
COMMUNITY ASSETS	R 32 507 696,00	R 22 694 848,98
VEHICLES	R 6 478 361,00	R 5 297 809,94
COMPUTER HARDWARE AND EQUIPMENT	R 2 086 082,00	R 2 008 152,33
FURNITURE AND OFFICE EQUIPMENT	R 4 061 938,00	R 673 880,60
MACHINERY AND EQUIPMENT	R 231 130,00	R 215 462,00
BUILDINGS	R 191 208,00	-R 32 132
HERITAGE ASSETS	R 1 304 348,00	R 0,00
OTHER ASSETS	R 3 419 445,00	R 0,00
<b>TOTAL</b>	<b>R 155 055 972,00</b>	<b>R 120 812 900,70</b>

## Sources of Finance

Apart from grant funding, the municipality also has other funding streams. It is important to note that these streams still form a very limited portion of the overall revenue generated and strategies and plans still need to be crafted to turn the situation around.

Description	Adjusted 2023/24 Budget	ACTUAL
PROPERTY RATES	R 21 249 948,00	R 21 713 167,00
SERVICE CHARGES - ELECTRICITY	R 44 449 797,00	R 49 713 306,00
SERVICE CHARGES – REFUSE REMOVAL	R 4 661 336,00	R 4 128 095,00
RENTAL OF FACILITIES AND EQUIPMENT	R 5 402 232,00	R 7 969 863,00
INTEREST ON INVESTMENTS	R 31 890 232,00	R 34 468 001,00
INTEREST ON ARREAR DEBT	R 9 169 402,00	R 8 995 296,00
FINES AND PENALTIES	R 225 000,00	R 1 285 810,00
AGENCY FEES	R 1 414 192,00	R 1 298 390,00
LICENCES AND PERMITS	R 2 537 200,00	R 2 102 291,00
TRANSFERS – OPERATING	R 357 060 433,00	R 352 620 580,00
TRANSFERS - CAPITAL	R 94 039 526,00	R 68 481 789,00
OTHER INCOME	R 508 107,00	R 22 356 749,00
<b>TOTAL</b>	<b>R 572 607 405,00</b>	<b>R 575 133 337,00</b>

## Capital Expenditure on 5 Largest Projects

Project Name	Status	Ward No	23/24 Expenditure
CONSTRUCTION OF MBIZANA CIVIC CENTER	In progress	01	R 12 692 060,56
MQONJWANA TO GREENVILLE ACCESS ROAD	In progress		R 312 821,00
CONSTRUCTION OF THALENI BRIDGE	In progress		R 6 643 394,26
SIDANGA ACCESS ROAD	In progress		R 555 931,80
MPHUTHUMI MAFUMBATHA STADIUM – BIZANA SPORTFIELD	Completed		R 6 724 969,77
CONSTRUCTION OF NTLANEZWE TO SIZABONKE ACCESS ROAD	In progress		R 6 837 371,92

### 19. Component C: Cash Flow Management and Investment

#### Cash flow

The municipality is still able to meet its obligations as they fall due, which is an indication that there are sufficient funds within the municipality to ensure that financial obligations and commitments are settled within time and with no difficulties.

As disclosed in the annual financial statements, the municipality is a going concern and is therefore expected to operate for at least the next 12 months. The liquidity ratio of the municipality is still showing signs of health as the current assets of the municipality far outweigh the current liabilities. Having noted this, it must be indicated that the municipality needs to ensure a careful balancing act to ensure that there is no extravagant spending on non-essential items and taking this from the tune of the National Treasury on cost cutting and austerity measures to be implemented. As disclosed on page 82 of the annual financial statements as well, the municipality still has commitments to the value of more than R92.2 million as at the end of June 2024.

The municipality has also been able to generate in the excess of R34.4 million on interest from investments. These investments are cash that is not immediately required by the municipality and is therefore placed on short term investments to generate some interest.

The municipality's cash and cash equivalents balances at year end have increased during the year from R360 million to R460 million, which is in line with the savings reported earlier in this chapter.

#### 5.9. Borrowing and Investment

The municipality has not entered into any borrowing arrangements over the past 7 years including the year being reported as all developments were funded from either grants or own funding. This was also to ensure that no additional financial burden is placed on the municipalities in terms of the cost of these borrowing arrangements.

The municipality places surplus cash into short term investments to ensure that they earn better interests and grow the municipality's income earning capacity. These are funds that we normally utilised to supplement service delivery within the municipality.

### 20. Component D: Other Financial Matters

#### GRAP Compliance

Winnie Madikizela-Mandela Local Municipality compiled its 2023/24 Annual Financial Statement according to the provisions of the MFMA, GRAP and other applicable legislations. This has always been supported by the compilation of a Fixed Asset Register that complies with all the requirements of GRAP. The Auditor General of South Africa then audited these and gave its opinion at the end of the process which was communicated to the municipality at the end of November 2024.

## Chapter Six: Auditor General's Audit Findings

### 21. Component A: Auditor's Opinion on the Finance Statement for Prior Year.

#### Prior Year Comments

The Auditor General of South Africa audited the 2022/23 annual financial statements and they expressed their opinion as an unqualified audit opinion with no material findings. The municipality then, on the basis of the findings, even though not material, prepared an audit action plan to address the findings of the AG and improve the quality of the information reported and presented for the audit. The plan was developed by all affected heads of departments under the guidance of the Chief Financial Officer and will be tabled to council and approved.

The progress on the action will then reported to management committee meetings and to the relevant council committees. This will ensure that there is enhanced monitoring on the progress in dealing with the findings. All findings should therefore be addressed by the next audit. The auditor general however emphasised the following:

- Material impairments as disclosed in note 14 to the financial statements, the municipality reported material impairment of R18.0 million (2022: R17.9 million) as a result of irrecoverable debtors.

#### Current Year

The Auditor General of South Africa audited the 2023/24 annual financial statements and they expressed their opinion as an unqualified audit opinion with material findings. The municipality then, on the basis of the findings, prepared an audit action plan to address the findings of the AG and improve the quality of the information reported and presented for the audit. The plan was developed by all affected heads of departments under the guidance of the Chief Financial Officer and will be tabled to council and approved.

The progress on the action will then reported to management committee meetings and to the relevant council committees. This will ensure that there is enhanced monitoring on the progress in dealing with the findings. All findings should therefore be addressed by the next audit. The auditor general however emphasised the following:

- Material impairments as disclosed in note 13 to the financial statements, the municipality reported material impairment of R18.0 million (2023: R17.5 million) as a result of irrecoverable debtors.
- Irregular expenditure as disclosed in note 57 to the financial statements, irregular expenditure of R75 million (2023: R94,3 million) was incurred as a result of the municipality procuring services from a panel in contravention of s217 of the Constitution of the Republic of South Africa Act 1996 and s62(1)(d) of the MFMA
- Restatement of corresponding figures as disclosed in note 63 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality, and for the year ended, 30 June 2024.

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#### Compliance with legislation and key deadlines

The municipality has complied with legislation and key deadlines relating to the implementation of the IDP and the budget. Below is a summary of the key milestones that the municipality has ensured compliance with:

- The SDBIP was approved within 30 days from the approval of the budget
- The schedule of key deadlines or IDP and budget process plan was approved at least ten months before the start of the budget year
- All monthly reports were prepared and submitted within 10 working days of the end of each month as required by s71 of the MFMA
- All quarterly reports were prepared and submitted within 30 days of the end of the quarter
- The mid-year assessment was presented by the 25<sup>th</sup> of January to the Mayor
- The budget was adjusted within 60 days of the revision of government grants
- The main adjustment budget was approved by council by the 28<sup>th</sup> of February 2024
- The draft budget was tabled and adopted by council by 31 March 2024

- The budget for the 2023/24 financial year was tabled and approved by council by 31 May 2024
- Annual financial statements were prepared and submitted to the AG for auditing by 31 August 2024.
- The audit process commenced before the end of August and completed by 30 November 2024

## Appendixes

- A. WMM LM Councillors and Council Attendance
- B. Municipal Committees
- C. Third Tier Management Structure
- D. Municipal Functions
- E. Ward Reporting
- F. Public Works Capital Programme
- G. Corrective Action Plan
- H. Audit Committee Recommendations

### I. Revenue Collection Performance By Vote

Description	Final Budget	Actual Income
	6	7
	R	R
<b>REVENUE BY VOTE</b>		
Mayor and Council	R 0,00	R 0,00
Municipal Manager	R 0,00	R 100 000,00
Budget and Treasury	R 379 156 360,00	R 382 413 721,76
Corporate Services	R 392 346,00	R 428 145,94
Development and planning	R 41 117 577,00	R 37 251 432,77
Community and Social service	R 12 590 038,00	R 12 519 862,90
Engineering Services	R 139 351 084,00	R 135 335 473,30
<b>Total Revenue by vote</b>	<b>R 572 607 405,00</b>	<b>R 568 048 636,67</b>

### A. Revenue Collection Performance by Source

Description	Final Budget	Actual Amount
	R	R
<b>REVENUE</b>		
Property rates	R 21 249 948,00	R 21 713 167,00
Service charges - refuse and electricity	R 49 111 133,00	R 53 841 401,00
Fines	R 225 000,00	R 1 285 810,00
Licenses and permits	R 2 537 200,00	R 2 102 291,00
Government grants and subsidies	R 451 099 959,00	R 421 102 369,00
Rental of facilities and equipment	R 5 402 232,00	R 7 969 863,00
Other income	R 1 701 213,00	R 16 570 439,00
Interest income	R 41 059 634,00	R 43 463 297,00
Fair value gain	R 0,00	R 7 084 700,00
<b>Total Revenue</b>	<b>R 572 607 405,00</b>	<b>R 575 133 337,00</b>

### A. Conditional Grants Excluding MIG

Name of Grant	Name of Organ of State or Municipal Entity	Quarterly Receipts
		Receipts
Financial Management Grant (FMG)	National Treasury	2,100,000.00
Sports Arts and Culture Grant	Provincial Grant	500,00.00
Expanded Public Works Program (EPWP)	National Treasury	3 042 000,00
Greenest Municipality	Environmental Affairs	200 000,00
Integrated National Electrification Grant	National Treasury	16,100,000.00
Disaster Response Grant	National Treasury	19 190 000,00
General Budget Support Grant	National Treasury	9 167 822,11
<b>Total Grants and Subsidies Received</b>		<b>50 299 822,11</b>

#### Oversight on Annual Report

- 
- The report has complied with all prescripts and applicable legislation as provided by MFMA and LGMSA of 2000
- Monitoring of all engineering services projects should be done by project managers supervising of municipal plant should be done

#### Third Tier Management Structure

#### Third Tier Management Structure

Department	Name of Manager	Job Title
Office of The Municipal Manager	1. Ms N Jokweni	Manager: Municipal Operations
	2. Ms. O. Nodangala	Manager: Legal Services
	3. Mr.N.Mgxiva	Manager: Internal Audit
	4. Ms.N.Ngejane	Manager: Council support and Public Participation
	5. .Mr.T.Cwibi	Manager: Communications
	8. Mr C. Noconjo	Manager Mayoralty and Executive support
Corporate Services	9. Ms. N. Mshweshwe	Manager: Human Resources
	10. Mr.M. Ms N Ntlanga	Manager: ICT
	11. Ms N. Rabie	Manager Administration and Auxiliary services
Budget and Treasury	12. Ms. Z. Mehlo	Manager: Budgeting & Reporting
	13. Mr.S. Morlock	Manager: Revenue & Expenditure
	14. . Mr.Z. Khala	Manager: SCM
	15. Mr.M Madikizela	Manager: Assets
Development Planning	16. Ms. Z. Ndzelu/Mrs Z. Shange	Manager: Land Use
	17. Mr B. Hlangabezo	Manager: LED
Community Services	18. .Ms N.Xoko	Manager: Social & Community Services.
	19. Mr.D.Luphoko	Manager: Community Safety
	20. Ms L Mhlembana	Manager: Indigent & Social
Engineering Services	21. Mr.S.Songca	Manager: Operations & Maintenance

Department	Name of Manager	Job Title
	22. Mr.V. Nontanda	Manager: MIG
	23. Mr V. Mqina	Electricity Superintendent

### Municipal Powers and Functions

FUNCTION	ANDM	MLM		
SCHEDULE 4 PART B		Implementation Status		Challenges
Air pollution	X			
Building regulations		X	By law under review as there were gaps identified during implementation	Illegal buildings due to non-compliance with approved building plans
Child care facilities		X	Progressing fairly	Keeping up with demand from communities
Electricity reticulation	X	X	Progressing well	Limited funds to
Firefighting Services	X	X	Vehicles and staff deployed by the DM	Vastness of wards and roads conditions in some areas
Local tourism	X	X	Progressing well	N/A
Municipal airports	X		N/A	N/A
Municipal planning	X	X	Progressing well	N/A
Municipal Health Services	X		N/A	N/A
Municipal Public Transport		X	Not implemented	Limited funding
Pontoons and Ferries	X		N/A	N/A
Storm water		X	Progressing	Limited resources
Trading regulations		X	By law gazetted and implemented	Rapid growth of traders within limited space
Water (potable)	X		N/A	N/A
Sanitation	X		N/A	N/A
SCHEDULE 5 PART B				
Beaches and amusement facilities		X	Progressing	Seasonal operation and access due to roads leading to these facilities
Billboards and the display of adverts in public places		X	By law gazetted	Illegal billboards
Cemeteries, Crematoria and funeral parlours		X	One operating cemetery	Limited space
Cleansing		X	Progressing well	Currently utilising unlicensed dumping site
Control of public nuisances		X	By law gazetted and implemented	N/A
Control of undertakings that sell liquor to the public		X	Bylaw in process of promulgation	No by law in place which has resulted in illegal liquor trading especial in rural areas
Facilities for the accommodation, care and burial of animals		X	By law gazetted and service provider appointed to undertake removal and burial of animals	Removal of fencing along the main roads resulting to stray animals gett
Fencing and fences	X		N/A	N/A
Licensing of dogs		X	Bylaw gazetted	Illegal keeping of dogs
Licensing and control of undertakings that sell food to the public		X	By law gazetted	Non-compliance by traders with by law provisions
Local amenities		X	Progressing well	N/A
Local sport facilities		X	Progressing at slow pace due to limited resources	Maintenance of facilities and lack of ownership by communities
Markets		X	Temporal market place operational	Unavailability of space/land
Municipal abattoirs		X	Currently performed by DM	N/A
Municipal parks and recreation		X	1 park in town	Unavailability of space/land

FUNCTION	ANDM	MLM		
		SCHEDULE 4 PART B	Implementation Status	Challenges
Municipal roads		X	Progressing with back log	Maintenance of constructed roads
Noise pollution		X	By law gazetted and	Difficulty in implementing the bylaw due to cultural practices
Pounds		X	Animal pound operational	N/A
Public places		X	Non-available	N/A
Refuse removal, refuse dumps and solid waste disposal		X	In progress	Operating unlicensed dumping site
Street trading		X	Issuing of trading licencing progressing	Number of traffic wardens to keep up with the number of street vendors
Street lighting		X	Progressing	N/A
Traffic and parking		X	In progress	Increasing volume of motor vehicles in town
Disaster Management	X	X (Devolved Function)	Disaster management plan developed and adopted	Community understanding of disaster terms

### COUNCIL MEETINGS ATTENDANCE

#### COUNCIL ATTENDANCE 2023/24 FY- JULY TO JUNE 2024

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr Z Mhlwazi	Hon Speaker	FT	PR/ANC	04	11	11	0
2.Cllr T. D Mafumbatha	Hon Mayor	FT	PR/ANC	04	11	10	01
3.Cllr M Mbele	Whip	FT	PR/ANC	04	11	10	01
4.Cllr N Dlamini	Exco Member	FT	PR/ANC	04	11	09	02
5. Cllr L Makholosa	Exco Member	FT	PR/ANC	04	11	11	0
6. Cllr N Madikizela	Exco Member	FT	PR/ANC	04	11	11	0
7.Cllr N.M Njomi	Exco Member	PT	WC/ANC	04	11	09	02
8.Cllr L.G Mcambalala	Exco Member	FT	WC/ANC	04	11	11	0
9. Cllr N.E Cengimbo	Exco Member	PT	PR/ANC	04	11	11	0
10. Cllr N. Langasiki	Exco Member	PT	PR/EFF	04	11	06	05
11.Cllr P.B Majavu	Exco Member	PT	PR/ATM	04	11	09	02
12.Cllr N.P Mavundla	MPAC Member	FT	PR/ANC	04	11	11	0
13.Cllr E Voko	Council Member	PT	PR/ANC	04	11	09	02
14.Cllr F Bewu	Council Member	PT	PR/ANC	04	11	08	03
15.Cllr N Sikibi	Council Member	PT	PR/ANC	04	11	10	01
16.Cllr L Maqoga	Council Member	PT	PR/ANC	04	11	11	0



Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
17.Cllr Z Ndebele	Council Member	PT	PR/ANC	04	11	10	01
18. Cllr F Siramza	Council Member	PT	PR/ANC	04	11	11	0
19.Cllr F.N Sobazile	Council Member	PT	PR/ANC	04	11	10	01
20.Cllr N Bongwana	Council Member	PT	PR/ANC	04	11	08	03
21.Cllr M Mpetshwa	Council Member	PT	PR/ANC	04	11	07	04
22. Cllr I M Sabuka	Council Member	PT	PR/ACU	04	11	09	02
23.Cllr N. Madikizela	Council Member	PT	PR/AIC	04	11	07	04
24. Cllr N.L Khalabile	Council Member	PT	PR/ATM	04	11	08	03
25. Cllr K Zinya	Council Member	PT	PR/ATM	04	11	09	02
26.Cllr M Khambile	Council Member	PT	PR/ATM	04	11	02	0
27.Cllr L.V Nomaqhiza	Council Member	PT	PR/ATM	04	11	10	01
28.Cllr B.W Mangqalaza	Council Member	PT	PR/DA	04	11	06	05
29.Cllr P Nophinga	Council Member	PT	PR/EFF	04	11	05	06
30.Cllr N Nxasana	Council Member	PT	PR/EFF	04	11	04	07
31.Cllr Z.L Nelisi	Council Member	PT	PR/EFF	04	11	06	05
32. Cllr P Siramza	Council Member	PT	PR/SPSA	04	11	11	0
33.Cllr N Kwelemthini	Council Member	PT	PR/SPSA	04	11	09	02
34.Cllr L Silangwe	Council Member	PT	PR/UDM	04	11	07	04
35.Cllr B Matshoba	Council Member	PT	PR/SRWP	04	11	05	06
36.Cllr R F Madikizela	Council Member	PT	WC/ANC	04	11	11	0
37.Cllr S Mphoswa	Council Member	PT	WC/ANC	04	11	10	01
38.Cllr B Luwele	Council Member	PT	WC/ANC	04	11	10	01
39.Cllr S P Madikizela	Council Member	PT	WC/ANC	04	11	10	01
40. Cllr F N Nyathi	Council Member	PT	WC/ANC	04	11	11	0
41.Cllr T Z Noconjo	Council Member	PT	WC/ANC	04	11	08	03
42. Cllr S V Mfolozi	Council Member	PT	WC/ANC	04	11	09	02
43. Cllr L Nomazele	Council Member	PT	WC/ANC	04	11	08	03
44. Cllr M Msindo	Council Member	PT	WC/ANC	04	11	11	0

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
45. Cllr N Mgozozana	Council Member	PT	WC/ANC	04	11	08	03
46. Cllr N Majova	Council Member	PT	WC/ANC	04	11	11	0
47. Cllr T Dlamini	Council Member	PT	WC/ANC	04	11	10	01
48. Cllr A Maquthu	Council Member	PT	WC/ANC	04	11	09	02
49. Cllr X Bhabhazela	Council Member	PT	WC/ANC	04	11	11	0
50. Cllr X Tsethe	Council Member	PT	WC/ANC	04	11	11	0
51. Cllr S M Nomvalo	Council Member	PT	WC/ANC	04	11	10	01
52. Cllr A D Diya	Council Member	PT	WC/ANC	04	11	11	0
53. Cllr M W Dlamini	Council Member	PT	WC/ANC	04	11	11	0
54. Cllr Z H Dyarvane	Council Member	PT	WC/ANC	04	11	06	05
55. Cllr M C Mbodiya	Council Member	PT	WC/ANC	04	11	09	02
56. Cllr M Ndovela	Council Member	PT	WC/ANC	04	11	11	0
57. Cllr N Doko	Council Member	PT	WC/ANC	04	11	11	0
58. Cllr A I Guqaza	Council Member	PT	WC/ANC	04	11	11	0
59. Cllr S Yalo	Council Member	PT	WC/ANC	04	11	10	01
60. Cllr M Manci	Council Member	PT	WC/ANC	04	11	10	01
61. Cllr N Madikizela	Council Member	PT	WC/ANC	04	11	09	02
62. Cllr B Qalaba	Council Member	PT	WC/ANC	04	11	11	0
63. Cllr S W Jayiya	Council Member	PT	WC/ANC	04	11	11	0
64. Cllr Z Moya	Council Member	PT	WC/ANC	04	11	08	03
65. Chief L Baleni	Council member	PT	Traditional Council	04	11	08	03
66. Chief	Council Member	PT	Traditional Council	04	11	04	07

### Traditional Leaders

Initials Surname	Political Org/Prop - PR/WC	No of Council Meetings Planned	No of Council Meetings Actual seated	No attendance including special	Absent
1. Chief. L Baleni	TL	04	11		
2. Chief B. Langasiki	TL	04	11		

### Executive Committee Meetings Attendance July 2023 - June 2024

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr T. D Mafumbatha	Chairperson	FT	PR/ANC	4	14	14	0
2. Cllr L Makholosa	Exco Member	FT	PR/ANC	4	14	12	02
3. Cllr N Madikizela	Exco Member	FT	PR/ANC	4	14	12	02
4. Cllr L.G Mcambalala	Exco Member	FT	WC/ANC	4	14	14	0
5. Cllr N.E Cengimbo	Exco Member	PT	PR/ANC	4	14	14	0
6. Cllr N.M Njomi	Exco Member	PT	WC/ANC	4	14	12	02
7. Cllr N Dlamini	Exco Member	FT	PR/ANC	4	14	13	01
8. Cllr N. Langasiki	Exco Member	PT	PR/EFF	4	14	13	01
9. Cllr P.B Majavu	EXCO Member	PT	PR/ATM	4	14	14	0

#### Attendance of Councilors for 2023/2024: Engineering Services Committee

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/pr/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr N. Dlamini	Chairperson	FT	ANC/PR	10	10	09	01
2. Cllr N. Mgolozana	Committee Member	PT	ANC/ WC	10	10	07	03
3. Cllr N. Bongwana	Committee Member	PT	ANC	10	10	08	02
4. Cllr A.I Guqaza	Committee Member	PT	ANC/WC	10	10	09	01
5. Cllr M.C Mbhodiya	Committee Member	PT	ANC/WC	10	10	04	06
6. Cllr P.B Majavu	Committee Member	PT	ATM/PR	10	10	09	01
7. Cllr N. Kwelemtini	Committee Member	PT	SPSA/PR	10	10	10	0
8. Cllr N. Nxasana	Committee member	PT	EFF/PR	10	10	06	04

#### Attendance of Councilors for 2023/2024: Planning and Development Committee

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr L. Makholosa	Chairperson	FT	ANC/PR	10	09	09	0

2.Cllr N Langasiki	Committee Member	PT	EFF/PR	10	09	04	05
3.Cllr B. Luwele	Committee Member	PT	ANC/ PR	10	09	04	05
4.Cllr B. Qalaba	Committee Member	PT	ANC/WC	10	09	07	02
5.Cllr T. Dlamini	Committee Member	PT	ANC/WC	10	09	09	0
6.Cllr S.V Mfolozi	Committee Member	PT	ANC/WC	10	09	06	03
7.Cllr R.F Madikizela	Committee Member	PT	ANC/WC	10	09	07	02
8.Cllr P Siramza	Committee Member	PT	SPSA/PR	10	09	09	0
9. Cllr V L Nomaqhiza	Committee Member	PT	ATM/PR	10	09	05	04
10. Cllr L. Nomazele	Committee Member	PT	ANC/WC	10	09	06	03

#### Attendance of Councillors for 2023/2024: Community Services Committee

Initials & Surname	Portfolio	Fulltime/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr N. M. Njomi	Chairperson	PT	ANC/WC	10	11	10	01
2. Cllr M. Msindo	Committee Member	PT	ANC/ WC	10	11	10	01
3. Cllr S. Yalo	Committee Member	PT	ANC/WC	10	11	09	02
4. Cllr N. Nyathi	Committee Member	PT	ANC/WC	10	11	09	02
5. Cllr Z. Ndebele	Committee Member	PT	ANC/PR	10	11	07	04
6. Cllr S.P Madikizela	Committee Member	PT	ANC/ WC	10	11	10	01
7. Cllr Z. Moya	Committee Member	PT	ATM/PR	10	11	05	06
8. Cllr L. Nelisi	Committee Member	PT	EFF/PR	10	11	05	06
9.Cllr Kwelemtini	Committee Member	PT	SPSA/PR	10	11	10	01

#### Attendance of Councillors for 2023/2024: Corporate Services Committee

Initials & Surname	Portfolio	Full Time/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1.Cllr L.G. Mcambalala	Chairperson	FT	ANC/WC	10	08	08	0
2. Cllr Maqoga	Committee Member	PT	ANC/PR	10	08	08	0
3. Cllr E. Voko	Committee Member	PT	ANC/PR	10	08	04	04
4. Cllr N. Doko	Committee Member	PT	ANC/WC	10	08	05	03

5. Cllr M. Mancini	Committee Member	PT	ANC/WC	10	08	06	02
6. Cllr F. Siramza	Committee Member	PT	ANC/PR	10	08	08	0
7. Cllr N. Madikizela	Committee Member	FT	ANC/PR	10	08	06	02
8. Cllr M. Matshoba	Committee Member	PT	SRWP/PR	10	08	03	05
9. Cllr I.M Sabuka	Committee Member	PT	ACU/PR	10	08	06	02

#### Attendance of Councilors for 2023/2024: Budget and Treasury Committee

Initials & Surname	Portfolio	Fulltime/ PT	Political Org/ Prop/pr/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1. Cllr N. Madikizela	Chairperson	FT	ANC/PR	10	10	09	01
2. Cllr N.E Cengimbo	Committee Member	PT	ANC/PR	10	10	06	04
3. Cllr A. Diya	Committee Member	PT	ANC/WC	10	10	10	0
4. Cllr X. Bhabhazela	Committee Member	PT	ANC/WC	10	10	06	03
5. Cllr S. Nomvalo	Committee Member	PT	ANC/WC	10	10	06	04
6. Cllr S. Jayiya	Committee Member	PT	ANC/WC	10	10	10	0
7. Cllr L. Silangwe	Committee Member	PT	UDM/PR	10	10	06	04
8. Cllr P. Siramza	Committee Member	PT	SPSA/PR	10	10	07	03

#### Attendance of Councilors for 2023/2024: Good Governance, IGR and P P

Initials & Surname	Portfolio	Fulltime/ PT	Political Org/ Prop/PR/ Ward Cllr	No. of Committee meetings planned	No. of Committee Actual seated	No. of attended including Specials	Absent
1. Cllr Y. Govana	Chairperson	PT	ANC/PR	10	06	05	01
2. Cllr F. Bewu	Committee Member	PT	ANC/PR	10	06	05	01
3. Cllr W. Dlamini	Committee Member	PT	ANC/WC	10	06	06	0
4. Cllr F. Siramza	Committee Member	PT	ANC/PR	10	06	05	01
5. Cllr N. Majova	Committee Member	PT	ANC/WC	10	06	06	0
6. Cllr M. Ndovela	Committee Member	PT	ANC/WC	10	06	05	01
7. Cllr X. Ntsethe	Committee Member	PT	ANC/WC	10	06	06	0
8. Cllr N. Madikizela	Committee Member	PT	ANC/PR	10	06	04	02

Name of standing committee	How many standing committees and council meetings planned in 2023/2024 FY calendar	How many were convened including specials
Council	04	04 Ordinary Council and 07 Special Council meetings
Executive committee	06	4 Ordinary Exco and 9 Special Executive Committee Meetings
BTO	10	10
MPAC	04	04
Engineering Services	10	10
Planning & Development	10	09
Community Services	10	11
Good Governance, IGR, SPU & Public Participation	10	06
Corporate Services	10	08

### Ward Reporting

Winnie Madikizela – Mandela Local Municipality has thirty-two (32) wards and each has ward committee structure with ten members with the ward councillor being chairperson of the structure. The Municipality established all 320 ward committees, 100% of ward committees with replacement done upon receipt of resignations and death in various villages being attended by The Speaker in consultation with ward councillor. Functionality of ward committee meetings is measured by the submission of monthly reports. Monthly meetings are chaired by the Ward Councillors and assisted by councillor support assistant as administrative support attached to ward councillor. Monthly reports and attendance registers of ward committees form proof of activities that the ward committees have been engaged in. Individual ward service delivery matters raised during community meetings are consolidated and incorporated in the Speaker's report to Council. Executive committee provides intervention through prioritisation process of projects. In terms of feedback ward councillors are responsible for feedback to the ward committees and community meetings held quarterly in a ward.

### Integrated Service Delivery Model: Operation Masiphathisane.

The programme of Ward War rooms was revived by the department of corporate governance and traditional affairs during the financial year 2020/21 in 31 wards of Winnie Madikizela-Mandela with CDWs and councillor support assistants providing administrative support for their functioning. As there was a new declared council declared in November 2021 for council term starting 2021-2026 and there were new ward councillors and councillor support assistants, the department of CoGTA is in a process of conducting a workshop for ward councillors on their role as chairpersons of ward war room. Lists of participating stakeholders have been reviewed by CDW's in ensuring representation in war room meetings when meetings being convened. Walk ins registers have been provided to each ward war room situated at community halls.

### PURPOSE OF COUNCIL COMMITTEES

#### Executive Committee

- Identify the needs of the Municipality
- Review and evaluate those needs in order of priority
- Recommend to the Municipal Councils strategies, programs and services to address priority needs through the integrated development plan and estimates of revenue and expenditure, considering any applicable national and provincial developmental plans
- Recommends or determine the best methods, including partnership and other approaches to deliver those strategies, programs and services to the maximum benefit of the Community.

- Monitor the management of the Municipality's administration in accordance with the policy direction of the Municipal Council.

#### **Spatial Planning and LED Committee deals with**

Land use planning, Town planning, Building control, Housing, Tourism, Agriculture, Manufacturing, Forestry, Culture & Heritage, Nature conservation, Development and reviewal of departmental policies

#### **Engineering Services Committee deals with**

- Roads construction and maintenance
- Construction of public infrastructure
- Electrification
- Development and reviewal of policies

#### **Good Governance and Intergovernmental Relations Committee deals with**

Integrated development planning, Organizational performance management, Legal services, Internal auditing, Council support & Public Participation, Intergovernmental relations, customer care and Communications, Sports development, Communicable Diseases, advocacy for special groups, Initiation programs, Development and reviewal of policies.

#### **Community Services Committee deals with**

Solid waste services, Verge cutting, Street cleaning, Area beautification, Beaches management, Pounds, Cemeteries, Traffic control and Motor licensing, Enforcement of by-laws, Disaster management, Public transport management, Safety and security, Development and reviewal of policies

#### **Budget and Treasury Office Committee deals with**

Budgeting and reporting, Expenditure management, Revenue collection and enhancement, Supply chain management, Assets management, Disposal management, Investments management, Development and reviewal of policies

#### **Corporate Services Committee deals with**

Labour relations, Staff recruitment services, Employment equity, Skills development, Occupational health and safety, Employee wellness services, Records management, Information communication technology, Facilities management, Fleet management, Employee performance management, Development and reviewal of policies

#### **Municipal Public Accounts Committee deals with**

Municipal Public Accounts Committee deals with the following financial aspects addressed in the Municipal Finance Management Act:

- Unforeseen and unavoidable expenditure
- Unauthorized, irregular or fruitless and wasteful expenditure
- The quarterly report of the mayor on the implementation of the budget and the state of affairs of the municipality/ SDBIP
- Monthly budget statements (Section 71)
- Mid-year budget and performance assessment
- Mid- year budget and performance assessment of municipal entities
- Issues raised by the Auditor General in audit reports

- Disclosure concerning councillors, directors and officials
- Oversight report on the Annual Report

MPAC interrogates the following aspects addressed in the Municipal Systems Act:

- Monitors that the annual budget is informed by the IDP
  - Performance Management Plan
  - Monitors that all declaration of interest forms that are completed on an annual basis by councillors and officials.
-



### Audit Corrective Action Plan

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjusted Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
<b>Internal Audit Function</b>																			
	Non-compliance MFMA section 62 and IIA standard 1312	CoA F 01	Compliance	Internal Audit	Non-Compliance with Laws		No	Yes	No	High	Lack of proper planning for procurement processes to ensure targets are met	The accounting officer should ensure that an external assessment must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization	An independent suitably qualified external quality review assessor will be outsourced. In compliance with Attribute Standards 1312, the Internal Audit Unit will facilitate the processes for re-advert during October 2024 for the appointment of professional service provider.	N/A	Manager: Internal Audit	Internal Audit	15-Jan-25	The professional service provider was appointed by end of November 2024 to conduct external quality assessment of Internal Audit Activity. The final report will be issued beginning of January 2025	External Quality Assessment Report, Quality Improvement Plan
	Quarter 4 internal audit reports not presented to the Audit Committee	CoA F 02	Compliance	Internal Audit	Non-Compliance with Laws		No	No	No	Medium	This is due to prolonged anticipated discussion with management regarding the internal audit reports prior to presenting the reports to the audit committee	The internal audit unit should communicate the processes and time frames of communicating findings to management. The findings should be closed after the communicated timelines, to prevent delaying the process of finalising the internal audit reports on time	During the presentation of Internal Audit Strategy, the time line for each audit cycle will be discussed with relevant department. The Internal Audit Manager will also share with the management Internal Audit Engagement Letter which sets up the timing, scope and resources signed both by Senior Manager for	N/A	Manager: Internal Audit	Internal Audit	30-Jun-25	Internal Audit Engagement Letter and Notification Letter are being issued to the cycle being audited.	Engagement Letter, Notification Letter

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
													each department and Internal Audit Manager.						
<b>Uncorrected Misstatements</b>																			
	Additional Disclosure - Uncorrected prior year misstatements	CoA F 19	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes	No	Medium	Management did not ensure that the prior year misstatement was adjusted for in the comparative to the annual financial statements	Management should ensure that misstatements identified during the audit and the prior year are corrected and adjusted in the correct accounts and correct periods	Improve the implementation of the AFS plan to ensure sufficient time for reviews	N/A	Manager: Budgeting and Reporting	Internal Audit	31-May-25		
<b>Immovable assets</b>																			
	Work-In-Progress - Differences between the AFS and Work-In-Progress Register	CoA F 13	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Medium	Management did not adequately review the reported information as to ensure that it agrees with the supporting schedules to the reported information on the AFS	Management should perform proper review of the Annual Financial Statements (AFS) and Related Notes to ensure accuracy and fair presentation of the AFS	Management successfully disagreed with the finding. The first finding was caused by the robots which were advertised as a maintenance project but management reviews revealed that they were capital in nature. This caused infrastructure additions to have a difference equal to the robots when compared to WIP capitalisation. The second difference is caused by an item which was capitalised	N/A	Manager: Assets and Stores Management	Internal Audit	31-Jan-25	Done	

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)	
													from WIP to the movable register rather than immovable register as per normal.							
	Movable and immovable assets - Differences between the AFS and fixed or movable asset register audit finding	CoA F 16	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Medium	Management did not adequately review the reported information as to ensure that it agrees with the supporting schedules to the reported information on the AFS	Management should perform proper review of the Annual Financial Statements (AFS) and Related Notes to ensure accuracy and fair presentation of the AFS	Management will correct the identified misstatements by : 1. Correcting the 2023 FY impairment for furniture on the movable asset register. 2. Processing a journal to dispose infrastructure which should have been disposed in 2023 FY.	N/A	Manager: Assets and Stores Management	Internal Audit	31-Jan-25	Not yet started with journal processing for infrastructure. Not yet started with correcting the 2023 impairment for furniture in the Asset register. Both correcting actions to be done in January 2025		
<b>Operating Expenditure</b>																				
	Differences between Contracted expenditure and VAT input	CoA F 10	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Low	The management did not properly account the VAT amount since they pay the VAT on internal revenue	The management should account the expenditure and input VAT properly to reflect the substance of the transactions	To provide analysis schedule on transactions where input vat was not accounted for (ie vat on retention)	N/A	Manager: Revenue and Expenditure	Internal Audit	31-Jan-25	Done		
	Rental operating lease expenditure - Presentation and disclosure	CoA F 11	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Medium	Management have omitted other part on operating accounting policy	The management should complete the accounting policy to reflect the correct treatment of the lease	To draft accounting policy to reflect the correct treatment of the lease operating transactions	N/A	Manager: Revenue and Expenditure	Internal Audit	30-Jun-25	In progress		

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)	
												operating transactions								
	General expense: Free basic services	CoA F 17	Financial	Community Services	Misstatement in financial statements		No	No		High	Lack of adequate communication and controls between Eskom and the municipality. As the municipality is the one that prepares the valid indigent register with valid indigent beneficiaries and sends it to Eskom however Eskom does not discard prior year registers they accumulate the new information together with the old and end up subsidizing consumers who were not validated in the current year	Management should adequately communicate their internal processes with Eskom to ensure that a valid indigent register with valid indigent beneficiaries is used by Eskom, in order to provide free electricity to valid indigent beneficiaries. Consequences of using an invalid register should also be communicated to Eskom	To ensure that Eskom does not subsidised households who are not in the Council Approved Indigent register. Management will posit to Eskom a new financial year Council approved verified indigent register and letter requesting ESKOM to discard previously submitted indigent register.	N/A	Manager: Social and Indigent Support Services	Internal Audit	28-Feb-25	Service Provider for the verification indigent register has been appointed	Copies of appointment letter of service provider for verification indigent register, Council resolution extract for indigent register and letter to Eskom	
<b>Predetermined Objectives</b>																				
	Difference between APR and BSD Listings submitted	CoA F 03	Performance Management	Engineering Services	Misstatement in financial statements		No	No		Medium	Inadequate review procedures applied on the performance information in verifying the accuracy of performance	Management should ensure that annual performance report provided for audit is accurate and complete and is supported and	Management commits to ensuring accurate capturing and reviewing of performance information to align with POE and actual	N/A	Manager: Project Management Unit	Internal Audit	15-Jul-25			

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjusted Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)	
											e reported in the APR	evidenced by accurate and valid information as required by section 121 of the MFMA	performance .							
	Differences between Reported Information Amount and the Capitalised Amount	CoA F 05	Performance Management	Engineering Services	Misstatement in financial statements		No	No		High	Management did not adequately review the reported information as to ensure all expenditure incurred is reported on	Management should ensure that annual performance report provided for audit is accurate and complete and is supported and evidenced by accurate and valid information	A filing system has been developed. Managers to review project files on a quarterly basis and provide proof of review	N/A	Manager: Project Management Unit	Internal Audit	Quarterly			
	Difference between APR and POE submitted	CoA F 07	Performance Management	Engineering Services	Misstatement in financial statements		No	No		High	Inadequate review procedures applied of the performance information in verifying the accuracy of performance reported in the APR	Management should ensure that annual performance report provided for audit is accurate and complete and is supported and evidenced by accurate and valid information as required by section 121 of the MFMA	Management commits to ensuring accurate capturing and reviewing of performance information to align with POE and actual performance	N/A	Manager: Project Management Unit	Internal Audit	15-Jul-25			
	Beneficiaries who claim electricity are not on the Indigent register	CoA F 08	Performance Management	Community Services	Misstatement in financial statements		No	No		High	Lack of adequate communication and controls between Eskom and the municipality. As the municipality is the one that prepares	Management should adequately communicate their internal processes with Eskom to ensure that a valid indigent register with valid indigent beneficiaries	To ensure that Eskom does not subsidised households who are not in the Council Approved Indigent register. Management will posit to Eskom a	N/A	Manager: Social and Indigent Support Services	Internal Audit	28-Feb-25	Service Provider for the verification indigent register has been appointed	Copies of appointment letter of service provider for verification indigent register, Council resolution	

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
											the valid indigent register with valid indigent beneficiaries and sends it to Eskom however Eskom does not discard prior year registers they accumulate the new information together with the old and end up subsidizing consumers who were not validated in the current year	is used by Eskom, in order to provide free electricity to valid indigent beneficiaries. Consequences of using an invalid register should also be communicated to Eskom	new financial year Council approved verified indigent register and letter requesting ESKOM to discard previously submitted indigent register.						n extract for indigent register and letter to Eskom
	Differences between Reported Information Amount and the AFS	CoA F 09	Performance Management	Community Services	Misstatement in financial statements		No	No		High	Management did not adequately review the reported information as to ensure all expenditure incurred, pertaining to the indicator KPI 1.10.1 is reported on	Management should adequately review the reported information as to ensure all expenditure incurred pertaining to a reported target, is reported on	Adequate review of performance information and ensure that all expenditure incurred per departmental target is reported on and also synchronise with the actual expenditure report and AFS	N/A	Manager: Social and Indigent Support Services	Internal Audit	31-Jan-25	Performance report (expenditure report) has been reviewed for 2024/25 financial year Q2 and Mid Term SDBIP report	Copies of SDBIP performance report with correct expenditure report
	Segment information: Differences in the amounts disclosed	CoA F 12	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Low	This is due to incorrect typing when capturing information for the segment reporting purposes	Management should ensure that the amounts included in the financial statements in the segment report agrees to the amount included in the face of	Improve the implementation of the AFS plan to ensure sufficient time for reviews	N/A	Manager: Budgeting and Reporting	Internal Audit	31-Jul-25		

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjusted Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
												the financial statement							
<b>Procurement and Contract Management</b>																			
	SCM: Procurement and Contract Management – Competitive Bids	CoA F 20	Compliance	Budget and Treasury Office	Non-Compliance with Laws		Yes	No		High	The management was not aware of the alleged fraudulent appointment letters at the time of appointment of the supplier. Subsequent to the matter being raised by the Internal Audit Unit, management did not adequately follow-up, on the internal auditors' findings and recommendations timeously	<b>The management should ensure that:</b>  There are internal controls in place to avoid the re-occurrence of the irregular appointment.  The audit committee should ensure that all the risks tabled by internal audit are properly addressed and followed up.  The communication between other organ of state does not break up and follow up should be made where no response has received	1. All appointment letters and completion certificates to be accompanied by client reference letters with only official contact details and email addresses to verify the documents submitted.  2. Appointment letters for all recommended bidders to be verified by the bid evaluation committee and submit proof.  3. All bidders found to have submitted fraudulent appointment letters to be reported to National Treasury for blacklisting	Report to National Treasury for Blacklisting	Manager: Supply Chain Management	Internal Audit	31-Jan-25		
<b>Related Parties</b>																			
	Overstatement of Councillors	CoA F 15	Financial	Budget and Treasury Office	Misstatement in financial statements		No	No		Low	Inadequate review of the annual financial statements to ensure accuracy of the presented information	Management should ensure that the amounts included in the financial statements are accurate and agree to the supporting evidence/sch	A correction of error in the disclosure note. An analysis of the disclosure and supporting information has revealed	N/A	Manager: Revenue and Expenditure	Internal Audit	31-Jan-25	Done	

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)	
												edules submitted	that the amount of R735 473 has been included twice in the disclosure, as compensation for Whip of council and also as part of the councillors' compensation.							
<b>Revenue</b>																				
	Presentation and disclosure of Revenue from exchange transactions	CoA F 06	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Medium	Management did not adequately review the reported information as to ensure all interest received from receivables is correctly reported	Management should perform proper review of the Annual Financial Statements (AFS) and Related Notes to ensure accuracy and fair presentation of the AFS	The correction of the interest is included as part of prior period error Note 62 and 63 of the 2023-24 Annual financial statements item: receivables from exchange transactions and item interest received from receivables.	N/A	Manager: Revenue and Expenditure	Internal Audit	31-Jan-25	Done		
	Revenue from exchange transactions - Classification of Construction contracts	CoA F 14	Financial	Budget and Treasury Office	Misstatement in financial statements		No	Yes		Medium	Guidelines from NT on the correct MSCOA account to use were not provided timeously to allow the municipality to fully effect the changes on the GL. Therefore, management made a decision to pass	Management should adequately account for indirect grants using the Municipal Standard Chart of Accounts (mSCOA) when they transacted and reported as prescribed by the guidance on the recording of Integrated	An analysis and recalculation of Output Vat on INEP revenue for current financial year and Prior years.	N/A	Manager: Revenue and Expenditure	Internal Audit	31-Jan-25	Done		



No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjusted Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)	
											caseware journals to amend the financial statements and did not make changes to the GL for the 23/24 financial year	National Electrification Programme (INEP) Grant in mSCOA								
<b>Taxes</b>																				
	VAT Payable: Output Tax - Not Recognised on INEP grant in 2023-24	CoA F 14	Financial	Budget and Treasury	Misstatement in financial statements	Yes	No	No	Yes	High	Management had raised concerns about the guidelines which were provided by the NT, on how to account for the INEP Grant, however there was still no response from Treasury by the 31st of August, on the issues management had raised relating to the Output VAT issue	Management should adequately account for indirect grants using the Municipal Standard Chart of Accounts (mSCOA) when they transacted and reported as prescribed by the guidance on the recording of Integrated National Electrification Programme (INEP) Grant in mSCOA	A session with SARS and Treasury will be arranged to clarify the VAT implications of the implementation of the INEP Accounting Guidelines	N/A	Chief Financial Officer	Internal Audit	28-Feb-25			
<b>Unauthorised, Irregular, Fruitless and Wasteful Expenditure</b>																				
	Procurement and contract management: Allocation of work within the panel	CoA F 18	Compliance	Budget and Treasury Office	Misstatement in financial statements	Yes	Yes	No	No	High	The municipality implemented a practice which is commonly accepted. However, did not develop appropriate processes to ensure that the	Management should review the SCM policy and ensure that the method of awarding through a panel is in line with the requirements of PPR 2017 and other relevant laws	Develop Standard Operating Procedure and Review SCM Policy to ensure that Allocation of Panels is in line with SCM prescribed Regulations	Report to council Committees for investigation	Manager: Supply Chain Management	Internal Audit	31-Jan-25		Central Email address for submission of quotations already created, closing registers to be created for	

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2022/23?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	POE (INTERNAL AUDIT)
											municipality does not detract from the underlying principles of public procurement	and regulations						violations received	



Winnie Madikizela-Mandela Local Municipality  
Audited Annual Financial Statements  
for the year ended 30 June 2024

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## General Information

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Nature of business and principal activities

Winnie Madikizela-Mandela Local Municipality provides the following services:  
Electricity  
Solid Waste Removal

TROIKA

Mayor

Speaker

T.D Mafumbatha

Z. Mhlwazi

Whip of Council

M.Mbele

Executive Committee

N. Madikizela

L. Makholosa

Y. Govana

N. Dlamini

N.E. Cengimbo

P.B. Majavu

N. Langasiki

L.G. Mcambalala

N.M. Njomi

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### General Information

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#### Councillors

N. Kwetemtini  
E. Voko  
B. Luwele  
F.N. Sobazile  
B. Matshoba  
N. Mgozozana  
N. Sikibi  
S.P. Madikizela  
K. Zinya  
N. Madikizela  
R. F. Madikizela  
S. Mphoswa  
M. C. Mphetshwa  
F. N. Nyathi  
N.P. Mavundla  
T.Z. Noconjo  
S.V. Mfolozi  
L. Nomazele  
M.S. Msindo  
N. Majova  
T. Dlamini  
A. Maquthu  
X. Bhabhazela  
X. Tsethe  
S. M. Nomvalo  
A.O. Diya  
M.W. Dlamini  
Z.H. Dyarvane  
M.C. Mbodiyi  
N. Doko  
S. Yalo  
M. Manci  
M. Ndovela  
B. Qalaba  
A.I. Guqaza  
S.W. Jayiya  
F. Bewu  
L. Maqoga  
Z.P. Ndebele  
N. Giyama-Bongwana  
I.M. Sabuka  
N. Madikizela  
N. L. Xhalabile  
Z.L. Nelisi-Makiva  
Z. Moya/ M. S. Khambile  
L.V. Nomaqhiza  
B.W. Mangqalaza  
P. Siramza  
L. Silangwe  
N. Nxasana  
F. Siramza  
P. Nophinga

## **Winnie Madikizela-Mandela Local Municipality**

Audited Annual Financial Statements for the year ended June 30, 2024

### **General Information**

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Grading of local authority	Grade 04
Accounting Officer	L. Mahlaka
Chief Finance Officer (CFO)	ZAZukulu
Registered office	51 Winnie Madikizela-Mandela Street Bizana 4800
Business address	51 Winnie Madikizela-Mandela Street Bizana 4800
Postal address	P.O. Box 12 Bizana 4800
Bankers	First National Bank
Attorneys	NZ Mtshabe Incorporated Attorneys Dr Sugudhav- Seperdadh Attorneys
Auditors	Auditor General of South Africa Registered Auditors

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

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The reports and statements set out below comprise the audited annual financial statements presented to the council:

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# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

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### Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
DORA	Division Of Revenue Act
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
MIG	Municipal Infrastructure Grant
DSRAC	Department of Sport, Recreation, Arts and Culture
INEP	Integrated National Electrification Programme
ASB	Accounting Standards Board
MPAC	Municipal Public Accounts Committee
MSIG	Municipal Systems Infrastructure Grant
SCM	Supply Chain Management
MSA	Municipal Systems Act
MSA	Municipal Structures Act



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the audited annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the audited 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 audited annual financial statements and are given unrestricted access to all financial records and related data.

I am responsible for the preparation of these annual financial statements, which are set out on the pages to follow in terms of s126(1) of the MFMA and which I have signed on behalf of the municipality.

I certify that the salaries, benefits and allowances as disclosed in notes 35 and 36 of these annual financial statements are within the upper limits of the framework envisioned in section 219 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Cooperative Governance & Traditional Affairs determination in accordance with this Act.

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

I acknowledge that I am 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, I set 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.

I am 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 audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatement or deficit.

I have reviewed the municipality's cash flow forecast for the year to June 30, 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future.

The audited annual financial statements set out on pages 7 to 111, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2024 and were signed on its behalf by:

  
**Accounting Officer**

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Statement of Financial Position as at June 30, 2024

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Inventories	7	786,196	1,383,544
Operating lease asset	8	18,841,946	15,435,571
Other Receivables from exchange transactions	9	1,401,568	1,772,378
Receivables from non-exchange transactions	10	4,088,994	2,226,890
Statutory receivables	11	48,725,424	43,178,790
Prepayments	12	2,740,429	4,603,155
Receivables from exchange transactions	13	31,776,608	22,119,133
Cash and cash equivalents	14	460,788,282	360,015,400
		<b>569,149,447</b>	<b>450,734,861</b>
<b>Non-Current Assets</b>			
Investment property	3	49,294,199	42,209,500
Property, plant and equipment	4	892,081,735	822,179,852
Intangible assets	5	502,827	631,421
Heritage assets	6	1,260,799	1,260,799
		<b>943,139,560</b>	<b>866,281,572</b>
<b>Total Assets</b>		<b>1,512,289,007</b>	<b>1,317,016,433</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	15	75,985,108	54,789,420
VAT payable	16	2,513,926	
Consumer deposits	17	496,603	497,247
Employee benefits obligation	18	20,864,352	17,808,245
Unspent conditional grants and receipts	19	14,409,451	8,198,501
Provisions	20	1,067,164	2,082,219
		<b>115,336,604</b>	<b>83,375,632</b>
<b>Non Current Liabilities</b>			
Provisions	20	11,950,306	10,632,303
<b>Total Liabilities</b>		<b>127,286,910</b>	<b>94,007,935</b>
<b>Net Assets</b>		<b>1,385,002,097</b>	<b>1,223,008,498</b>
Accumulated surplus		1,385,002,097	1,223,008,498
<b>Total Net Assets</b>		<b>1,385,002,097</b>	<b>1,223,008,498</b>

WINNIE MADIKIZELA-M\*NOUA  
LOCAL MUNICIPALITY  
CWEF\*E-INC\*E D\*UR

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PO BOX 1211, A 4830

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See Note 64 & 63

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

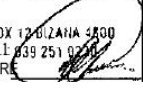
## Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023 Restated*
<b>Revenue</b>			
Revenue from exchange transactions			
Service charges	23	53,841,401	45,326,090
Construction contracts	24	14,066,835	14,432,149
Rental of facilities and equipment	25	7,969,863	7,575,950
Interest received from receivables	26	3,794,988	2,443,815
Agency services	27	1,298,390	1,360,653
Commissions received	28	188,290	164,806
Recoveries	28	735,339	78,500
Provision reduction	28		11,678,705
Other income	28	281,585	179,573
Interest received from current and non current assets	29	34,468,001	21,920,440
<b>Total revenue from exchange transactions</b>		<b>116,644,692</b>	<b>105,160,681</b>
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	30	21,713,167	21,160,320
Fines, penalties and Forfeits	31	1,285,810	1,224,575
Licences and Permits	32	2,102,291	2,169,042
Interest received (non exchange)	33	5,200,308	3,961,083
Transfer revenue			
Government grants & subsidies	34	421,102,369	420,600,999
Government donations	35		479,356
<b>Total revenue from non-exchange transactions</b>		<b>451,403,945</b>	<b>449,595,375</b>
<b>Total revenue</b>	22	<b>568,048,637</b>	<b>554,756,056</b>
<b>Expenditure</b>			
Employee related costs	36	(139,601,412)	(126,273,180)
Remuneration of councillors	37	(26,454,463)	(26,577,017)
Depreciation and amortisation	38	(32,417,463)	(41,502,300)
Impairment of Property, plant and equipment	39	(9,252,340)	(1,920,996)
Interest and penalties	40	(50,162)	
Lease rentals on operating lease	41	(5,723,859)	(4,736,656)
Debt Impairment	42	(2,273,866)	(1,404,083)
Bulk purchases	43	(43,466,987)	(42,241,255)
Contracted services	44	(82,810,742)	(58,236,918)
Transfers and Subsidies	45	(2,805,345)	(2,593,275)
General Expenses	46	(58,913,298)	(58,422,552)
<b>Total expenditure</b>		<b>(403,769,937)</b>	<b>(363,908,232)</b>
<b>Operating Surplus (deficit)</b>		<b>164,278,700</b>	<b>190,847,824</b>
Loss on disposal of assets and liabilities	47	(9,369,808)	(1,458,339)
Fair value adjustments	48	7,084,700	1,737,717
		<b>(2,285,108)</b>	<b>279,378</b>
<b>Surplus for the year</b>		<b>161,993,592</b>	<b>191,127,202</b>

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WINNIE MADIKIZELA-MANOELA  
LOCAL MUNICIPALITY  
CHIEF FINANCIAL OFFICER

30 NOV 2024

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SIGNATURE 

WINNIE MADIKIZELA-MANOELA  
LOCAL MUNICIPALITY  
MAYOR

2024 -11- 3\_0

OFFICE OF THE MUNICIPAL MANAGER  
TEL: 039 251 0230  
FAX: 039 251 0917

\* See Note 64 & 63

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus/ (deficit)	Total net assets
Opening balance as previously reported	1,086,096,327	1,086,096,327
Adjustments		
Prior year adjustments 64	(54,215,031)	(54,215,031)
<b>Balance at July 1, 2022 as restated*</b>	<b>1,031,881,296</b>	<b>1,031,881,296</b>
Surplus/(Deficit) for the year	191,127,202	191,127,202
Total changes	191,127,202	191,127,202
Opening balance as previously reported	1,223,008,505	1,223,008,505
<b>Restated* Balance at July 1, 2023 as restated*</b>	<b>1,223,008,505</b>	<b>1,223,008,505</b>
Surplus/(Deficit) for the year	161,993,592	161,993,592
Total changes	161,993,592	161,993,592
<b>Balance at June 30, 2024</b>	<b>1,385,002,097</b>	<b>1,385,002,097</b>

Note(s)

WINNIE MAOIKIZELA-MANDELA  
LOCAL MUNICIPALITY

2024-11-30

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WINNIE MAOIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
CHIEF FINANCIAL OFFICER

30 NOV 2024

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\* See Note 64 & 63

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Sale of goods and services		81,107,323	94,401,777
Grants		427,313,317	421,354,390
Interest income		43,463,297	28,325,338
		<u>551,883,937</u>	<u>544,081,505</u>
<b>Payments</b>			
Employee costs		(162,999,768)	(151,498,508)
Suppliers		(167,248,224)	(174,885,967)
Interest and penalties		(50,162)	
		<u>(330,298,154)</u>	<u>(326,384,475)</u>
<b>Net cash flows from operating activities</b>	<b>50</b>	<b><u>221,585,783</u></b>	<b><u>217,697,030</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(120,812,901)	(134,190,453)
Purchase of other intangible assets	5		(600,000)
		<u>(120,812,901)</u>	<u>(134,790,453)</u>
<b>Net cash flows from investing activities</b>		<b><u>(120,812,901)</u></b>	<b><u>(134,790,453)</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>100,772,882</b>	<b>82,906,577</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>360,015,400</b>	<b>277,108,823</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>14</b>	<b><u>460,788,282</u></b>	<b><u>360,015,400</u></b>

The accounting policies on pages 14 to 45 and the notes on pages 46 to 111 form an integral part of the audited annual financial statements.


**WINNIE MAOKIZELA-MANOELA**  
LOCAL MUNICIPALITY

**2021, -11- 30**

OFFICE OF THE MUNICIPAL MANAGER  
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WINNIE MAOKIZELA-MANOELA  
LOCAL MUNICIPALITY  
CHIEF FINANCIAL OFFICER

30 NOV 2014

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See Note 64 & 63

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Difference	Note Reference
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Sale of goods	201,086	20,000	221,086	248,688	27,602	64
Service charges	37,904,200	11,206,933	49,111,133	53,841,401	4,730,268	64
Construction contracts	-	-	-	14,066,835	14,066,835	64
Rental of facilities and equipment	5,282,238	119,994	5,402,232	7,969,863	2,567,631	64
Interest received from receivables	3,389,530	400,000	3,789,530	3,794,988	5,458	64
Agency services	1,266,201	147,991	1,414,192	1,298,390	(115,802)	64
Commissions received	152,484	-	152,484	188,290	35,806	64
Recoveries	-	104,540	104,540	735,339	630,799	64
Other income - (rollup)	318,978	(288,981)	29,997	32,897	2,900	64
Interest received from current assets	15,890,233	15,999,999	31,890,232	34,468,001	2,577,769	64
<b>Total revenue from exchange transactions</b>	<b>64,404,950</b>	<b>27,710,476</b>	<b>92,115,426</b>	<b>116,644,692</b>	<b>24,529,266</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Taxation revenue</b>						
Property rates	21,249,948	-	21,249,948	21,713,167	463,219	64
Fines, penalties and forfeits	225,000	-	225,000	1,285,810	1,060,810	64
Licences and Permits (Non-exchange)	2,537,200	-	2,537,200	2,102,291	(434,909)	64
Interest received(non- exchange)	1,779,872	3,600,000	5,379,872	5,200,308	(179,564)	64
<b>Transfer revenue</b>						
Government grants & subsidies	349,897,300	7,163,133	357,060,433	352,620,578	(4,439,855)	64
<b>Total revenue from non-exchange transactions</b>	<b>375,689,320</b>	<b>10,763,133</b>	<b>386,452,453</b>	<b>382,922,154</b>	<b>(3,530,299)</b>	
<b>Total revenue</b>	<b>440,094,270</b>	<b>38,473,609</b>	<b>478,567,879</b>	<b>499,566,846</b>	<b>20,998,967</b>	
<b>Expenditure</b>						
Employee related cost	(139,934,028)	51,145	(139,882,883)	(139,601,412)	281,471	64
Remuneration of councillors	(28,480,421)	-	(28,480,421)	(26,454,463)	2,025,958	64
Depreciation and amortisation	(54,370,824)	(10,165,000)	(64,535,824)	(32,417,463)	32,118,361	64
Impairment loss	-	-	-	(9,252,340)	(9,252,340)	64
Interest and Penalties	(99,984)	-	(99,984)	(50,162)	49,822	64
Lease rentals on operating lease	(5,472,264)	(597,650)	(6,069,914)	(5,723,859)	346,055	64
Debt Impairment	(10,108,776)	-	(10,108,776)	(2,273,866)	7,834,910	64
Bulk purchases	(47,730,636)	-	(47,730,636)	(43,466,987)	4,263,649	64
Contracted Services	(78,322,728)	(45,185,813)	(123,508,541)	(82,810,742)	40,697,799	64
Transfers and Subsidies	(3,430,745)	150,017	(3,280,728)	(2,805,345)	475,383	64
Inventory	(7,485,164)	(98,764)	(7,583,928)	(5,761,353)	1,822,575	64
Loss on disposal of assets	-	(22,432,320)	(22,432,320)	(9,369,806)	13,062,514	64
General Expenses	(72,261,684)	(1,077,628)	(73,339,312)	(53,151,945)	20,187,367	64
<b>Total expenditure</b>	<b>(447,697,254)</b>	<b>(79,356,013)</b>	<b>(527,053,267)</b>	<b>(413,139,743)</b>	<b>113,913,524</b>	
<b>Operating surplus</b>	<b>(7,602,984)</b>	<b>(40,882,404)</b>	<b>(48,485,388)</b>	<b>86,427,103</b>	<b>134,912,491</b>	
Transfer recognised- capital contribution	76,295,084	17,744,442	94,039,526	68,481,789	(25,557,737)	64
Fair value adjustments	-	-	-	7,084,700	7,084,700	64
<b>Surplus before taxation</b>	<b>68,692,100</b>	<b>(23,137,962)</b>	<b>45,554,138</b>	<b>161,993,592</b>	<b>116,439,454</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>68,692,100</b>	<b>(23,137,962)</b>	<b>45,554,138</b>	<b>161,993,592</b>	<b>116,439,454</b>	

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Difference	Note Reference
<b>Statement of Financial Position</b>						
<b>Assets</b>						
<b>Current Assets</b>						
Inventories	449,895	1,333,733	<b>1,783,628</b>	786,196	<b>(997,432)</b>	64
Operating lease asset	15,763,094	3,084,195	<b>18,847,289</b>	18,841,946	<b>(5,343)</b>	64
Other Receivables from exchange transactions	-	-	-	1,401,568	<b>1,401,568</b>	64
Receivables from non-exchange transactions	25,808,552	8,340,956	<b>34,149,508</b>	4,088,994	<b>(30,060,514)</b>	64
Statutory receivables	18,041,926	4,837,584	<b>22,879,510</b>	48,725,424	<b>25,845,914</b>	64
Prepayments	-	-	-	2,740,429	<b>2,740,429</b>	64
Receivables from exchange transactions	46,746,093	(6,971,392)	<b>39,774,701</b>	31,776,608	<b>(7,998,093)</b>	64
Cash and cash equivalents	306,560,270	55,158,233	<b>361,718,503</b>	460,788,282	<b>99,069,779</b>	64
	<b>413,369,830</b>	<b>65,783,309</b>	<b>479,153,139</b>	<b>569,149,447</b>	<b>89,996,308</b>	
<b>Non-Current Assets</b>						
Investment property	39,090,185	3,119,314	<b>42,209,499</b>	49,294,199	<b>7,084,700</b>	64
Property, plant and equipment	834,980,073	70,886,017	<b>905,866,090</b>	892,081,735	<b>(13,784,355)</b>	64
Intangible assets	43,247	423,175	<b>466,422</b>	502,827	<b>36,405</b>	64
Heritage assets	1,260,799	-	<b>1,260,799</b>	1,260,799	-	64
	<b>875,374,304</b>	<b>74,428,506</b>	<b>949,802,810</b>	<b>943,139,560</b>	<b>(6,663,250)</b>	
<b>Total Assets</b>	<b>1,288,744,134</b>	<b>140,211,815</b>	<b>1,428,955,949</b>	<b>1,512,289,007</b>	<b>83,333,058</b>	
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Payables from exchange transactions	74,018,717	13,531,197	<b>87,549,914</b>	75,985,108	<b>(11,564,806)</b>	64
VAT payable	4,946,616	-	<b>4,946,616</b>	2,513,926	<b>(2,432,690)</b>	64
Consumer deposits	505,877	(8,630)	<b>497,247</b>	496,603	<b>(644)</b>	64
Employee benefits obligation	-	-	-	20,864,352	<b>20,864,352</b>	64
Unspent conditional grants and receipts	-	2,127,007	<b>2,127,007</b>	14,409,451	<b>12,282,444</b>	64
Provisions	20,307,659	(389,158)	<b>19,918,501</b>	1,067,164	<b>(18,851,337)</b>	64
	<b>99,778,869</b>	<b>15,260,416</b>	<b>115,039,285</b>	<b>115,336,604</b>	<b>297,319</b>	
<b>Non-Current Liabilities</b>						
Provisions	22,483,946	(10,999,147)	<b>11,484,799</b>	11,950,306	<b>465,507</b>	64
<b>Total Liabilities</b>	<b>122,262,815</b>	<b>4,261,269</b>	<b>126,524,084</b>	<b>127,286,910</b>	<b>762,826</b>	
<b>Net Assets</b>	<b>1,166,481,319</b>	<b>135,950,546</b>	<b>1,302,431,865</b>	<b>1,385,002,097</b>	<b>82,570,232</b>	
<b>Net Assets</b>						
<b>Net Assets Attributable to Owners of Controlling Entity</b>						
<b>Reserves</b>						
Accumulated surplus	1,166,481,319	135,950,546	<b>1,302,431,865</b>	1,385,002,097	<b>82,570,232</b>	64

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Difference	Note Reference
<b>Cash Flow Statement</b>						
<b>Cash flows from operating activities</b>						
<b>Receipts</b>						
Sale of goods and services	114,203,088	10,537,882	<b>124,740,970</b>	81,107,323	<b>(43,633,647)</b>	64
Grants	421,451,984	23,576,564	<b>445,028,548</b>	427,313,317	<b>(17,715,231)</b>	64
Interest income	15,890,232	16,000,000	<b>31,890,232</b>	43,463,297	<b>11,573,065</b>	64
	<b>551,545,304</b>	<b>50,114,446</b>	<b>601,659,750</b>	<b>551,883,937</b>	<b>(49,775,813)</b>	
<b>Payments</b>						
Employee costs	(158,692,457)	171,145	<b>(158,521,312)</b>	(162,999,768)	<b>(4,478,456)</b>	64
Suppliers	(221,925,187)	(50,897,896)	<b>(272,823,083)</b>	(16,748,224)	<b>256,074,859</b>	64
Interest and penalties	(99,984)	-	<b>(99,984)</b>	(50,162)	<b>49,822</b>	64
	<b>(380,717,628)</b>	<b>(50,726,751)</b>	<b>(431,444,379)</b>	<b>(179,798,154)</b>	<b>251,646,225</b>	
<b>Net cash flows from operating activities</b>	<b>170,827,676</b>	<b>(612,305)</b>	<b>170,215,371</b>	<b>372,085,783</b>	<b>201,870,412</b>	
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(141,376,228)	(27,136,043)	<b>(168,512,271)</b>	(120,812,901)	<b>47,699,370</b>	64
Net increase/(decrease) in cash and cash equivalents	29,451,448	(27,748,348)	<b>1,703,100</b>	251,272,882	<b>249,569,782</b>	
Cash and cash equivalents at the beginning of the year	277,108,822	82,906,578	<b>360,015,400</b>	360,015,400	-	
<b>Cash and cash equivalents at the end of the year</b>	<b>306,560,270</b>	<b>55,158,230</b>	<b>361,718,500</b>	<b>611,288,282</b>	<b>249,569,782</b>	



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1. Presentation of Audited Annual Financial Statements

The significant accounting policies applied in the preparation of these audited annual financial statements are set out below.

#### 1.1 Basis of preparation

The audited 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 No. 56 of 2003).

These audited 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.

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

These accounting policies are consistent with the previous period, except for the accounting policy on construction contracts that was previously not included.

#### 1.2 Presentation currency

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

#### 1.3 Going concern assumption

These audited 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.

#### 1.4 Significant judgements and sources of estimation uncertainty

In preparing the audited annual financial statements, management made estimates and assumptions that affect the amounts represented in the audited 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 audited annual financial statements. Significant judgements include:

##### Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

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

The carrying value less Allowance for doubtful debts 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/service 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 key assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of 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. 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 together with economic factors such as exchange rates and 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 20 - Provisions.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.4 Significant judgements and sources of estimation uncertainty (continued)

#### Allowance for doubtful debts

On debtors, an impairment loss is recognised in surplus or deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the value of estimated future cash flows discounted at the rate determined by the Council policy.

#### Provision for Rehabilitation of landfill site / Dumping site

The municipality has an obligation to rehabilitate its landfill sites in terms of National Environment Management Act, the Water Act and the Waste Management series as promulgated by the Department of Water and Sanitation. A provision is made for this obligation based on the size / extent of the land to be rehabilitated, site water balance, the rehabilitation cost, the monitoring and the rehabilitation period.

#### Provisions, contingent liabilities and contingent assets

Management's judgement is required when recognising and measuring provisions, as well as when measuring contingent liabilities and contingent assets as set out in note 19 and 51 of the financial statements. Provisions are discounted where the effect is material.

#### Depreciation and Amortization

Depreciation and amortization recognised on property plant and equipment and intangible assets are determined with reference to the useful lives and residual values of the underlying items. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the municipality's expectations about the availability of finance to replace the asset at the end of its useful life.

### 1.5 Investment property

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

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

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.

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.

#### Fair value

Subsequent to initial measurement, investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the municipality determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the municipality determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the municipality measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The municipality applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the municipality becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.5 Investment property (continued)

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.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

### 1.6 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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.

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

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

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

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

Item	Depreciation method	Average useful life
Land	Straight line	Indefinite
Buildings	Straight line	5 - 100 years
Furniture and fixtures	Straight line	2 - 26 years
Motor vehicles	Straight line	3 - 15 years
Office equipment	Straight line	3 - 26 years
IT equipment	Straight line	3 - 17 years
Infrastructure	Straight line	
• Roads, bridges and pavements		5 - 100 years
• Electricity, reticulation and supply		9 - 60 years
• Waste disposal site		7 - 30 years
• Storm water		40 - 100 years
• Traffic lights		10 years
• Landfill sites		15 - 30 years
• Metering Infrastructure credit		25 years
Community	Straight line	
• Cemeteries		10 - 30 years
• Community halls		25 - 50 years
• Housing scheme houses		15 years
• Recreational facilities		10 - 50 years
Plant and Machinery	Straight line	2 - 15 years
Other property, plant and equipment	Straight line	5 - 21 years
Park Facilities	Straight line	10 - 50 years

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

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.6 Property, plant and equipment (continued)

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.

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

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

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

### 1.7 Intangible assets

An 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.

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

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

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

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.7 Intangible assets (continued)

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.

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

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Item	Amortization method	Average useful life
Computer software, other	Straight line	3 - 10 years

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The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 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.

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

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

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

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

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

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

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

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

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an municipality 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 municipality shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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

A financial asset is:

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

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

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

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

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

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

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



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

### 1.8 Financial instruments (continued)

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

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

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

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

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

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

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

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

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

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

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

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### Classification

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

Class	Category
Receivables from non-exchange transactions	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

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

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants and receipts	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost

#### Initial recognition

The municipality 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.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.8 Financial instruments (continued)

The municipality recognises financial assets using trade date accounting.

#### Initial measurement of financial assets and financial liabilities

The municipality 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.

The municipality measures a financial asset and financial liability initially at its fair value.

The municipality first assesses whether the substance of a concessionary loan (where applicable) is in fact a loan. On initial recognition, the municipality analyses a concessionary loan (where applicable) into its component parts and accounts for each component separately. The municipality accounts for that part of a concessionary loan (where applicable) that is:

- a social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

#### Subsequent measurement of financial assets and financial liabilities

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

- 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 entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, the 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.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

#### 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 or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed 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.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.8 Financial instruments (continued)

#### 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 financial assets using trade date accounting.

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.

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 recognises either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity 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 entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognises 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 continues 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.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another municipality by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.8 Financial instruments (continued)

#### 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.

Dividends or similar distributions 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 municipality 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.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the municipality does not offset the transferred asset and the associated liability.

### 1.9 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 municipality assesses the classification of each element separately.

#### Operating leases - lessor

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

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

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

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

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

#### Operating leases - lessee

Operating lease payments are recognised as an expense using another systematic basis that is more representative of the time pattern. The other systematic basis is monthly billing as per rental agreements as these are more representative of the time pattern of the municipality's benefit.

### 1.10 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 replacement 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 would incur 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.

# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.10 Inventories (continued)

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

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

### 1.11 Impairment of cash-generating assets

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

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

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

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

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

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

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

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

Useful life is either:

- 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 cash-generating asset exceeds its recoverable amount, it is impaired.

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

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

# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.11 Impairment of cash-generating assets (continued)

#### Value in use

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

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

#### Basis for estimates of future cash flows

In measuring value in use the municipality:

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

#### Composition of estimates of future cash flows

Estimates of future cash flows include:

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

Estimates of future cash flows exclude:

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

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

#### Discount rate

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

#### Recognition and measurement (individual asset)

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

An impairment loss is recognised immediately in surplus or deficit.

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

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

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



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.11 Impairment of cash-generating assets (continued)

#### Cash-generating units

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

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

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

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

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

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

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

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

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

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

#### Reversal of impairment loss

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

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

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

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

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

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

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

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

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

# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.12 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 (amortisation) and accumulated impairment losses thereon.

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 municipality also test 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.



# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.12 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.

#### Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

#### Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

#### 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.

# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.12 Impairment of non-cash-generating assets (continued)

#### Reversal of an impairment loss

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

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

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

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

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

### 1.13 Employee benefits

#### Identification

#### Employee benefits

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

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 municipality, 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 municipality's own creditors (even in liquidation) and cannot be paid to the municipality, 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 municipality to reimburse it for employee benefits already paid

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

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

# Winnie Madikizela-Mandela Local Municipality

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## Significant Accounting Policies

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### 1.13 Employee benefits (continued)

#### Short-term employee benefits

##### Recognition and measurement

##### All 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.
- As an expense, unless another Standard of GRAP 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 municipality measure the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the municipality 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 municipality has no realistic alternative but to make the payments.

#### Leave pay

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 municipality measures the expected cost of accumulating compensated absences as the additional amount that the municipality expects to pay as result of the unused entitlement that has accumulated at the reporting date.

The liability is based on the total amount of leave days due to employees at reporting date and on basic salary of the employees.

#### Long service awards

The municipality provides long service awards to eligible employees, payable on completion of a certain number of years of employment. A provision is raised to account for the expected long service awards due to be paid in the preceding year.

An employee shall qualify for the following additional leave together with the following monetary awards as recognition for continuous service at the completion of the following:

- a. 5 years' service: 5 days accumulative leave plus a once off payment equal to 2% of the employee's annual salary.
- b. 10 year's service: 10 days accumulative leave plus a once off payment equal to 3% of the employee's annual salary.
- c. 15 year's service: 15 days accumulative leave plus a once off payment equal to 4% of the employee's annual salary.
- d. 20 year's service: 15 days accumulative leave plus a once off payment equal to 5% of the employee's annual salary.
- e. 25 year's (or more years service): 15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.13 Employee benefits (continued)

#### Annual Bonuses

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

The municipality pays out an annual bonus to its employees during the month of their birthday or annually from date of employment. A liability relating to the anticipated bonuses payable is raised and is based on the monthly basic salary of the individual.

#### Performance Bonuses

The municipality provides performance bonuses for rewarding an outstanding performance of senior managers. A performance bonus ranging from 5% to 14% of all inclusive remuneration package may be paid to a senior manager in recognition of such outstanding performance.

In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment/rating calculator provided that:

- a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9% and
- a score of 150% and above is awarded a performance bonus ranging from 10% to 14%

### 1.14 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

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

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

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

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

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

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

A constructive obligation to restructure arises only when the municipality:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of a 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.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.14 Provisions and contingencies (continued)

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 municipality 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 52.

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 the breach 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 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, a 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.

### Provision for rehabilitation of Landfill / Dumping site

The provision for rehabilitation of landfill / dumping site relates to the legal obligation to rehabilitate the landfill / dumping site used for waste disposal. It is calculated as the Present Value of the future obligation, discounted over an average period as determined by valuers.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.15 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.

#### Rendering of services

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

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

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by the proportion that costs incurred to date bear to the total estimated costs of the transaction.

#### Service Charges-Electricity

Service charges relating to electricity are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. The estimates of consumption between meter readings are based on a three months average consumption. Revenue arising from consumption of electricity in the month of June is fully accounted for whether invoiced or not.

#### Prepaid electricity

Revenue from the sale of electricity prepaid meter cards and other services provided on pre-payment basis are recognised at the point of sale.

#### Refuse removal

Revenue relating to refuse removal is recognised on a monthly basis in arrears by applying the approved tariff to each property that qualifies to be rendered a service. Tariffs are determined per category of property usage, and are levied monthly based on the approved (determined) number of refuse collection per property.

#### Rental income

Revenue from the rental of facilities and equipment is recognised on a straight line basis over the term of the lease agreement.

#### Tariff charges

Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered by applying the relevant gazetted tariff. This includes the issuing of licenses and permits.

#### Income from agency fees

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.15 Revenue from exchange transactions (continued)

Revenue arising out of situations where the municipality acts as an agent on behalf of another municipality (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

#### Investment income

Revenue arising from the use by others of municipal 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 received is recognised, in surplus or deficit using the effective interest rate method.

#### Interest, royalties and dividends

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

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

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

### 1.16 Revenue from non-exchange transactions

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

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

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

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

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

#### Recognition

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

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



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.16 Revenue from non-exchange transactions (continued)

#### Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

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

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for income tax is the earning of assessable income during the taxation period by the taxpayer.

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

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

The municipality accounts for Value Added Tax (VAT) on the invoice basis. Revenue, expenses and assets are recognised net of the VAT amount. The net amount of VAT recoverable from the South African Revenue Services is disclosed as part of the Statutory Receivables while the net payable VAT to the South African Revenue Services is disclosed in the face of the statement of financial position.

#### 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.

#### Gifts and donations, including goods in-kind

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

#### Concessionary loans received

A concessionary loan is a loan granted to or received by a property, plant and equipment on terms that are not market related.

The portion of the loan that is repayable, along with any interest payments, is an exchange transaction and is accounted for in accordance with the Standard of GRAP on Financial Instruments. The off-market portion of the loan is a non-exchange transaction. The off-market portion of the loan that is recognised as non-exchange revenue is calculated as the difference between the proceeds received from the loan, and the present value of the contractual cash flows of the loan, discounted using a market related rate of interest.

The recognition of revenue is determined by the nature of any conditions that exist in the loan agreement that may give rise to a liability. Where a liability exists the cash flow statement recognises revenue as and when it satisfies the conditions of the loan agreement.

### 1.17 Investment income

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

### 1.18 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.

### 1.19 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 also reclassified and restated unless such comparative reclassification and/or restatement is not required by a standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.19 Comparative figures (continued)

Where material accounting errors which relate to prior periods have been identified in the current year, the correction is made retrospectively as far as 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.

The presentation and classification of items in the current year is consistent with the prior periods. Where there has been a reclassification or restatement the nature and reasons for the reclassification and restatement are disclosed in **note 62** 'Prior Period Errors' and note 63 'Prior period year adjustments' to the financial statements.

### 1.20 Unauthorised expenditure

Unauthorised expenditure means:

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

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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

### 1.21 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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

### 1.22 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

Irregular expenditure as defined in section 1 of the MFMA is -

- (a) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;
- (b) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act (Act No. 32 of 2000), and which has not been condoned in terms of this Act;
- (c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998, (Act 20 of 1998);
- (d) Expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of Winnie Madikizela-Mandela Local municipality or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law; or
- (e) excludes expenditure by a municipality which falls within the definition of unauthorised expenditure.

Irregular expenditure that was incurred and identified during the current financial year and which was written-off before year end and/or before finalisation of the annual financial statements is also 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 annual financial statements.

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

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

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.22 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned/written-off by the National Treasury or council authority is recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps are thereafter taken to recover the amount from the person concerned. If recovery is not possible, the municipal council may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register is also updated accordingly. If the irregular expenditure has not been condoned/written-off and no person is liable in law, the expenditure related thereto remains against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

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

### 1.23 Conditional Grants and Receipts

Revenue received from conditional grants, donations 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. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

### 1.24 Segment information

A segment is an activity of the municipality:

- 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.

Segment information is prepared in conformity with the accounting policies applied for preparing and presenting the financial statements.

### 1.25 Change in accounting policy, estimate and errors

Changes in accounting policy that are effected by management have been applied retrospectively in accordance with GRAP 3 except to the extent that it is impracticable to determine the period specific effects or the accumulative effect of the change in policy. In such cases the municipality restates the opening balances of assets and liabilities and net assets for the earliest period for which retrospective restatement is practicable. Details of the changes in accounting policy are disclosed in the notes to the annual financial statements where applicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 except to the extent that it is impracticable to determine the period specific effects or the cumulative effects of the error. In such cases the municipality restates the opening balances of assets and liabilities and net assets for the earliest period for which retrospective treatment is practicable. Details of prior period errors are disclosed in note 63 of the financial statements where applicable.

### 1.26 Budget information

Municipality is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, council processes, appropriation or similar.

General purpose financial reporting by the 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 functional classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01-Jul-23 to 30-Jun-24.

The Statement of comparative of budget and actual amount information has been included in the audited annual financial statements as the recommended disclosure when the audited annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 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 considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

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

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

### 1.28 Equity instruments

Gains and losses arising from fair value adjustments on investments, loans and disposal of assets are presented separately from other revenue in the Statement of Financial Performance. Income, expenditure, gains and losses are recognised in surplus or deficit except for the exceptional cases where recognition directly in net assets is specifically allowed or required by a standard of GRAP.

### 1.29 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.

### 1.30 Commitments

Items are classified as commitments when the municipality has committed itself to future transactions that will normally result in an outflow of resources embodying economic benefits or service potential. Commitments are not recorded in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- Approved and contracted commitments
- where the expenditure has been approved and the contract has been awarded at the reporting date
- where disclosure is required by a specific standard of GRAP

### 1.31 Prepayments

Prepayments are future payments made in advance for services or goods to be delivered in a future period that are recorded in the municipality's statement of financial position as assets at year end, and also when the municipality will benefit from early settlement discounts from subscriptions.

The municipality only limits prepayments to capital expenditure where the municipality is still contracted with the service providers for acquisition or construction of municipal assets.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.31 Prepayments (continued)

The municipality also permits prepayments to take advantage of early settlement discounts on subscription fees for professional bodies as well as membership fees and also to avoid penalties on such when these are required to be settled before the start of the subscription period. Examples of these include subscriptions such as SALGA levies.

Prepayments on capital programs are made as part of the municipality's attempt to assist small business to speed up delivery, where materials are required to complete works from distributors that normally require payment upfront to supply the materials required. Examples of these include electricity meters from Eskom, building material, concrete materials and other types of materials that contractors do not necessarily produce. Prepayments are made either at the request of the contractors or at the recommendation of the municipality, these requests may either be in writing or verbal during project management engagements.

For infrastructure projects the municipality only makes prepayments where the amount will not result in the whole contract value being paid, this means that the municipality may still have mechanisms to recover the amount in terms of future work delivered.

Sometimes prepayments are made to lock the prices for the goods and services that may change and benefit from the discounts that are being offered

#### Recognition

Prepayments are considered current assets because they are amounts paid in advance by the municipality in exchange for goods or services to be delivered in the future. Prepayments relate to purchase of something that provides value to the municipality over several accounting periods or as part of the agreements entered into between a service provider and the municipality. The municipality records a prepayment as an asset on the statement of financial position because it represents a future benefit due to the municipality. As the benefit of the goods or service are realised, the asset's value is decreased or cleared and the amount is added to the respective asset being acquired or expensed as may be necessary. At the end of each reporting date the municipality confirms whether delivery has taken place or not.

#### Disclosure

The municipality discloses the following information at each reporting date relating prepayments

- Amounts paid
- Name of company paid
- Reasons for payment

#### Derecognition

Prepayments are derecognised in the municipality's books when the goods or services have been received and transferred to the corresponding asset being acquired or constructed or expensed in the municipality's statement of financial performance as may be necessary.

### 1.32 Heritage assets

Assets are resources controlled by a municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in a municipality's operations that is shown as a single item for the purpose of disclosure in the audited annual financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

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

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.

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.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that a municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.32 Heritage assets (continued)

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

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

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 6).

The municipality discloses relevant information relating to heritage assets under construction or development, in the notes to the financial statements (see note 6).

#### Recognition

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

#### Initial measurement

Heritage assets are measured at cost.

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

#### Subsequent measurement

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

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, is carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses.

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

If a heritage asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in surplus or deficit. However, the decrease is debited directly to a revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that heritage asset.

#### Impairment

The municipality assess 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).

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.33 Statutory receivables

#### Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

#### Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be measured reliably.

#### Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

#### Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

#### Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using prime+1.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

#### Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the municipality applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

#### Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.33 Statutory receivables (continued)

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses are recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

#### Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable 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 receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

### 1.34 Accounting by principals and agents

#### Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

#### Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

#### Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.34 Accounting by principals and agents (continued)

#### Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

#### Recognition

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

### 1.35 Contingent assets and contingent liabilities

The municipality does not recognise contingent liabilities or contingent assets but discloses them.

A contingent liability is a possible outflow of resources embodying economic benefits or service potential that is subject to a future event.

A contingent asset is a possible inflow of resources embodying economic benefits or service potential that is subject to one or more uncertain future events beyond the control of the municipality.

### 1.36 Construction contracts and payables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised as per work done during the project, as measured by completion of a physical proportion of the contract work.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

#### Contract costs

Contract costs shall comprise:

- (a) costs that relate directly to the specific contract; (e.g labour, materials, supervision costs
- (b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and
- (c) such other costs as are specifically chargeable to the customer under the terms of the contracts.

#### Recognition



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Significant Accounting Policies

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### 1.36 Construction contracts and payables (continued)

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. An expected deficit on a construction contract to which paragraph .49 applies shall be recognised as an expense immediately in accordance with paragraph. 49.

In the case of a fixed price contract, the outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- total contract revenue, if any, can be measured reliably;
- it is probable that the economic benefits or service potential associated with the contract will flow to the entity;
- both the contract costs to complete the contract and the stage of contract completion at the reporting date can be measured reliably; and
- the contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

#### Measurement

In the case of a cost plus or cost based contract, the outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- it is probable that the economic benefits or service potential associated with the contract will flow to the entity; and
- the contract costs attributable to the contract, whether or not specifically reimbursable, can be clearly identified and measured reliably.

#### Disclosure

The municipality discloses:

- the amount of contract revenue recognised as revenue in the period;
- the methods used to determine the contract revenue recognised in the period; and
- the methods used to determine the stage of completion of contracts in progress.

The municipality shall disclose each of the following for contracts in progress at the reporting date:

- the aggregate amount of costs incurred and recognised surpluses (less recognised deficits) to date;
- the amount of advances received; and
- the amount of retentions.

The municipality presents

- the gross amount due from customers for contract work as an asset; and
- the gross amount due to customers for contract work as a liability.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

### 2. New standards and interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>iGRAP 21: The Effect of Past Decisions on Materiality</li></ul>	April 1, 2023	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 25 (as revised): Employee Benefits</li></ul>	April 1, 2023	Not expected to impact results but may result in additional disclosure
<ul style="list-style-type: none"><li>iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction</li></ul>	April 1, 2023	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 2020: Improvements to the Standards of GRAP 2020</li></ul>	April 1, 2023	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Guideline: Guideline on Accounting for Landfill Sites</li></ul>	April 1, 2023	Not expected to impact results but may result in additional disclosure
<ul style="list-style-type: none"><li>GRAP 1 (amended): Presentation of Financial Statements (Materiality)</li></ul>	April 1, 2023	Unlikely there will be a material impact

#### 2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after July 1, 2024 or later periods:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>GRAP 2023 Improvements to the Standards of GRAP 2023</li></ul>	April 1, 2099	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 1 (amended): Presentation of Financial Statements (Going Concern)</li></ul>	April 1, 2099	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 103 (as revised): Heritage Assets</li></ul>	April 1, 2099	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>iGRAP 22 Foreign Currency Transactions and Advance Consideration</li></ul>	April 1, 2025	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>GRAP 104 (as revised): Financial Instruments</li></ul>	April 1, 2025	Unlikely there will be a material impact

#### 2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the municipality's accounting periods beginning on or after July 1, 2024 or later periods but are not relevant to its operations:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>GRAP 107 Mergers</li></ul>	April 1, 2023	Not relevant to the municipality's operations
<ul style="list-style-type: none"><li>GRAP 106 Transfer of Functions Between Entities Not Under Common Control</li></ul>	April 1, 2023	Not relevant to the municipality's operations
<ul style="list-style-type: none"><li>GRAP 105 Transfer of Functions Between Entities Under Common Control</li></ul>	April 1, 2023	Not relevant to the municipality's operations

**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Notes to the Audited Annual Financial Statements**

Figures in Rand

**3. Investment property**

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	49,294,199	-	49,294,199	42,209,500	-	42,209,500

**Reconciliation of investment property - 2024**

	Opening balance	Fair value adjustments	Total
Investment property	42,209,500	7,084,699	49,294,199

**Reconciliation of investment property - 2023**

	Opening balance	Fair value adjustments	Total
Investment property	40,471,783	1,737,717	42,209,500

**Pledged as security**

There are no Investment Properties pledged as security.

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.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
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### 3. Investment property (continued)

#### Details of valuation

The effective date of the revaluations was Sunday, June 30, 2024. Revaluations were performed by an independent valuer, PJ Lindstrom a Professional Valuer - Reg.No 935/7 of Penny Lindstrom Valuations. PJ Lindstrom is not connected to the municipality and has recent experience in location and category of the investment property being valued.

The valuation method deemed appropriate and adopted was discounted cash flows.

For investment property, totalling R 49,294,199 (2023: R 42,209,500), where there was a lack of comparable market data, the valuation was based on discounted cash flows. The following assumptions were used:  
Discount rate 9.9%

Amounts recognised in surplus and deficit for the year:

#### Maintenance of investment property

There were no maintenance cost incurred by the municipality on investment Property .

#### Amounts recognised in surplus or deficit

Rental revenue from Investment property	4,672,960	4,319,951
Smoothing amounts	2,962,065	3,220,910
	<u>7,635,025</u>	<u>7,540,861</u>

The review of the audited Annual Financial Statements of 2022/23 financial year revealed that the figure included hall hire fees.

The correction of this resulted in the comparative figure being revised by R35 088.

**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Notes to the Audited Annual Financial Statements**

Figures in Rand

**4. Property, plant and equipment**

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	3,098,628	-	3,098,628	3,098,628	-	3,098,628
Buildings	29,027,217	(6,251,114)	22,776,103	28,564,476	(5,576,041)	22,988,435
Plant and machinery	25,247,109	(17,855,534)	7,391,575	25,049,766	(17,001,630)	8,048,136
Furniture and fixtures	30,203,157	(22,245,370)	7,957,787	28,336,609	(21,513,955)	6,822,654
Motor vehicles	22,016,985	(8,871,702)	13,145,283	16,888,020	(7,711,872)	9,176,148
Infrastructure	803,154,860	(303,265,952)	499,888,908	743,451,509	(296,028,410)	447,423,099
Community	228,371,454	(34,860,130)	193,511,324	210,860,243	(29,138,470)	181,721,773
Work in progress	144,312,127	-	144,312,127	142,900,979	-	142,900,979
<b>Total</b>	<b>1,285,431,537</b>	<b>(393,349,802)</b>	<b>892,081,735</b>	<b>1,199,150,230</b>	<b>(376,970,378)</b>	<b>822,179,852</b>

**Reconciliation of property, plant and equipment - 2024**

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Land	3,098,628	-	-	-	-	-	3,098,628
Buildings	22,988,435	-	-	462,741	(675,073)	-	22,776,103
Plant and machinery	8,048,136	183,149	-	32,313	(864,751)	(7,272)	7,391,575
Furniture and fixtures	6,822,654	3,602,762	(82,138)	-	(2,111,130)	(274,361)	7,957,787
Motor vehicles	9,176,148	5,297,810	(68,409)	-	(1,087,032)	(173,234)	13,145,283
Infrastructure	447,423,099	70,574,403	(9,125,659)	13,491,814	(21,876,496)	(598,253)	499,888,908
Community	181,721,773	8,952,186	(84,537)	8,704,026	(5,674,387)	(107,737)	193,511,324
Work in progress	142,900,979	32,202,591	-	(22,690,894)	-	(8,100,549)	144,312,127
	<b>822,179,852</b>	<b>120,812,901</b>	<b>(9,360,743)</b>	<b>-</b>	<b>(32,288,869)</b>	<b>(9,261,406)</b>	<b>892,081,735</b>

**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Notes to the Audited Annual Financial Statements**

Figures in Rand

**4. Property, plant and equipment (continued)**

**Reconciliation of property, plant and equipment - 2023**

	Opening balance	Additions	Disposals	Transfers received	Transfers	Depreciation	Impairment loss	Total
Land	3,118,628	-	(20,000)	-	-	-	-	3,098,628
Buildings	22,885,383	748,441	-	-	-	(645,389)	-	22,988,435
Plant and machinery	9,478,509	168,114	-	-	-	(1,580,368)	(18,119)	8,048,136
Furniture and fixtures	6,407,143	3,120,966	(91,735)	79,700	-	(2,522,972)	(170,448)	6,822,654
Motor vehicles	6,249,884	4,457,473	(775,328)	399,656	-	(1,155,537)	-	9,176,148
Infrastructure	398,640,341	70,606,264	(1,309,539)	-	12,121,506	(30,903,044)	(1,732,429)	447,423,099
Community	102,552,801	5,925,763	-	-	77,926,378	(4,683,169)	-	181,721,773
Work in progress	183,785,441	49,163,422	-	-	(90,047,884)	-	-	142,900,979
	<b>733,118,130</b>	<b>134,190,443</b>	<b>(2,196,602)</b>	<b>479,356</b>	<b>-</b>	<b>(41,490,479)</b>	<b>(1,920,996)</b>	<b>822,179,852</b>

**Pledged as security**

There are no Property, Plant and Equipment pledged as security.

**Depreciation rates**

Land		Indefinite
Buildings	Straight-line	5 - 100 years
Plant and machinery	Straight-line	2 - 15 years
Furniture and fixtures	Straight-line	2 - 26 years
Motor vehicles	Straight-line	3 - 15 years
Office equipment	Straight-line	3 - 26 years
IT equipment	Straight-line	3 - 17 years
Infrastructure	Straight-line	5 - 100 years
Community	Straight-line	10 - 50 years
Other property, plant and equipment	Straight-line	5 - 21 years
Park facilities	Straight-line	10 - 50 years
Waste disposal site	Straight-line	7 - 30 years

**Fixed asset register review process**

The municipality reviews its fixed assets register at each reporting date where the following activities are carried out:

- Addition of new assets acquired during the year
- Conditional assessment of existing assets to identify impairment indicators and process necessary impairments where such is found

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

#### 4. Property, plant and equipment (continued)

- Review of useful lives and residual values to ensure assets are correctly valued

The results of these are therefore presented in the relevant notes to these annual financial statements.

#### Capitalised expenditure

Buildings	-	748,440
Plant and machinery	183,149	168,114
Furniture and fixtures	3,602,762	3,120,966
Motor vehicles	5,297,810	4,457,473
Infrastructure	70,574,403	70,606,263
Community	8,952,186	5,925,764
Work in progress	32,496,754	49,163,422
	<b>121,107,064</b>	<b>134,190,442</b>

#### Compensation received for losses on property, plant and equipment

IT equipment	80,515	25,550
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#### Property, plant and equipment in the process of being constructed or developed

##### Cumulative expenditure recognised in the carrying value of property, plant and equipment

Other property, plant and equipment	5,806,312	6,301,365
Infrastructure	48,027,629	50,239,338
Community	90,478,186	86,360,277
	<b>144,312,127</b>	<b>142,900,980</b>

##### Carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected

Community Assets-Bizana Sportfield	6,725,969	58,470,995
Bizana Sport field was previously delayed due to lack of funding, the municipality availed funding to complete the project, however by 30 June 2023 there running track and comby court were still in progress.		
Community Asset- Mbizana Civic Centre( Town hall)	92,005,938	79,313,878
Mbizana Civic centre was delayed due to a dispute that arose between an appointed consultant and contractor.		
Road Infrastructure- Sidanga Access Road	25,841,053	25,285,121
Sidanga Access Road delayed due to the fine that the municipality received from DEDEA for working without the ORD.		
Road infrastructure- Mqonjwana to Greenville Access Road	8,529,920	8,217,099
Mqonjwana to greenville Access road delayed due to a service provider that abonded the site and therefore the municipality terminated the contract		
	<b>133,102,880</b>	<b>171,287,093</b>

#### Reconciliation of Work-in-Progress 2024

	Infrastructure	Community	Other PPE	Total
Opening balance	50,270,114	86,360,277	6,301,365	142,931,756
Additions/capital expenditure	21,134,878	12,821,935	-	33,956,813
Impairment	(8,100,549)	-	-	(8,100,549)
Transferred to completed items	(15,276,814)	(8,704,026)	(495,053)	(24,475,893)
	<b>48,027,629</b>	<b>90,478,186</b>	<b>5,806,312</b>	<b>144,312,127</b>

#### Reconciliation of Work-in-Progress 2023

	Infrastructure	Community	Other PPE	Total
Opening balance	28,926,478	150,049,647	4,809,317	183,785,442
Additions/capital expenditure	33,434,366	14,237,008	1,492,048	49,163,422
Transferred to completed items	(12,121,506)	(77,926,378)	-	(90,047,884)
	<b>50,239,338</b>	<b>86,360,277</b>	<b>6,301,365</b>	<b>142,900,980</b>

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
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#### 4. Property, plant and equipment (continued)

##### 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

Employee related costs	7,510,015	5,782,340
Contracted services	21,305,806	11,478,859
General expenses	52,210	6,817
	<b>28,868,031</b>	<b>17,268,016</b>

PPE Funding re-allocation

Infrastructure assets

Municipal Infrastructure Grant was previously disclosed as R14 167 227 which excluded an amount of R6 679 990 relating to Tshuze to Philisweni that was disclosed as internally generated funds project

Disaster Response Grant and Disaster Recovery Grant were consolidated as one grant to the value of R27 975 265 and they have been disclosed separately in the current year as R12 015 319 and R16 425 437 respectively.

Disaster projects were co-funded by a grant and internally generated funds (own funding) and R465 491 was previously disclosed as own funding.

Internally generated funds were previously disclosed as R22 479 507. This amount was reduced by R6 679 990 for MIG project, a R465 491 for disaster projects totalling to R15 334 026. The difference of R5 953 460 relates to prior period adjustments.

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.



**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Notes to the Audited Annual Financial Statements**

Figures in Rand

**5. Intangible assets**

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	2,650,773	(2,147,946)	502,827	2,650,773	(2,019,352)	631,421

**Reconciliation of intangible assets - 2024**

Computer software, other	Opening balance	Amortisation	Total
	631,421	(128,594)	502,827

**Reconciliation of intangible assets - 2023**

Computer software, other	Opening balance	Additions	Amortisation	Total
	43,247	600,000	(11,826)	631,421

**Pledged as security**

There are no intangible assets pledged as security.

**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Notes to the Audited Annual Financial Statements**

Figures in Rand

**6. Heritage assets**

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and exhibits	30,000	-	30,000	30,000	-	30,000
Historical monuments	1,230,799	-	1,230,799	1,230,799	-	1,230,799
<b>Total</b>	<b>1,260,799</b>	<b>-</b>	<b>1,260,799</b>	<b>1,260,799</b>	<b>-</b>	<b>1,260,799</b>

**Reconciliation of heritage assets 2024**

	Opening balance	Total
Art Collections, antiquities and exhibits	30,000	30,000
Historical monuments	1,230,799	1,230,799
	<b>1,260,799</b>	<b>1,260,799</b>

**Reconciliation of heritage assets 2023**

	Opening balance	Total
Art Collections, antiquities and exhibits	30,000	30,000
Historical monuments	1,230,799	1,230,799
	<b>1,260,799</b>	<b>1,260,799</b>

**Age and/or condition of heritage assets**

The municipality reviewed the type of heritage assets it has to verify when there is no need to revise their useful lives and confirmed that the useful lives used are relevant to the nature of the heritage assets the municipality possesses.

A conditional assessment was also conducted to identify whether any indications of impairment existed which confirmed no impairment was necessary.

**Restrictions on heritage assets**

There are no restrictions on heritage assets:

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand

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2023

### 6. Heritage assets (continued)

#### Pledged as security

There are no heritage assets pledged as security.

### 7. Inventories

Inventories	786,196	1,401,273
Inventories (write-downs)	-	(17,729)
	<b>786,196</b>	<b>1,383,544</b>

#### Inventory pledged as security

There is no Inventory pledged as security.

### 8. Operating lease asset

Current assets	18,841,946	15,435,571
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Certain of the municipality's property is held to generate rental income. Lease agreements are renewable and have varying terms of between 6 - 26 years.

There are no contingent rental receivables. The operating lease asset arose as a result of straight lining the lease rentals per requirement of GRAP 13.

### 9. Other receivables from exchange transactions

Trade debtors	1,046,327	1,417,137
Consumer debtors - Electricity	355,241	355,241
	<b>1,401,568</b>	<b>1,772,378</b>

#### Details of other receivables from exchange transactions

Trade Debtors	1,046,327	1,417,137
Consumer debtors - Land Sales	210,030	210,030
Allowance for doubtful debts consumer debtors - Land sales	(210,030)	(210,030)
Consumer debtors - Electricity	956,457	956,457
Allowance for doubtful debts consumer debtors - Electricity	(601,216)	(601,216)
	<b>1,401,568</b>	<b>1,772,378</b>

#### Financial asset receivables included in other receivables from exchange transactions above

-

#### Total other receivables from exchange transactions

1,401,568

1,772,378

There are no other receivables from exchange transactions that were pledged as security

#### Fair value of other receivables from exchange transactions

Other receivables from exchange transactions	1,401,568	1,772,378
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#### Other receivables from exchange transactions past due but not impaired

Other receivables from exchange transactions which are less than 3 months past due are not considered to be impaired. There were no other receivables less than 3 months past due and not considered to be impaired at 30 June 2024.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 9. Other receivables from exchange transactions (continued)

#### Other receivables from exchange transactions impaired

As of June 30, 2024, other receivables from exchange transactions of R 1,166,487 (2023: R 1,166,487) were impaired and provided for.

The amount of the provision was R (811,246) of June 30, 2024 (2023: R 811,246).

The ageing of these amounts is as follows:

Over 6 months	1,166,487	1,166,487
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### 10. Receivables from non-exchange transactions

Contractor receivables	1,083,619	1,083,620
Recoveries	833,390	375,856
Staff debts	152,270	99,044
Payroll debtors	1,550,744	182,839
Overpayment - Councillors remuneration	468,971	485,531
	<u>4,088,994</u>	<u>2,226,890</u>

#### Receivables from non-exchange transactions pledged as security

No receivables from non-exchange transactions were pledged as security.

#### Fair value of receivables from non-exchange transactions

Receivables from non-exchange transactions	4,088,993	2,226,890
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The net balance of receivables from non-exchange transactions approximate the fair value of these receivables.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>11. Statutory receivables</b>		
The municipality had the following statutory receivables where the Framework for the Preparation and Presentation of Financial Statements have been applied, for the initial recognition and subsequent measurement:		
Fines	3,168,655	2,637,434
These are receivables as a result of transgressions of laws and by-laws		
Fines impairment	(1,899,884)	(1,122,440)
This is impairment based on past experience and assessment of the category of debtors terms of the policy on debt impairment		
Property Rates	53,537,242	46,577,164
These are receivables arising from the Municipal Property Rates Act		
Property Rates Impairment	(6,080,589)	(5,424,491)
This is impairment based on past experience and assessment of the individual debtors performance in terms of the policy on debt impairment		
VAT Receivables	-	511,123
These are receivables arising from the VAT Act 89 of 1991		
	<b>48,725,424</b>	<b>43,178,790</b>
Current assets	48,725,424	43,178,790

### Statutory receivables general information

#### Transaction(s) arising from statute

The Local Government: Municipal Property Rates Amendment Act, No. 19 of 2009 gives powers to a metropolitan or local municipality to levy a rate on property in its area. This also requires councils of municipalities to adopt a policy consistent with the Act on levying of rates on rateable property in the municipality.

Traffic fines are administered based on the National Road Traffic Act 93 of 1996 which intends to promote road traffic quality by providing for a scheme to discourage road traffic contraventions, to facilitate the adjudication of road traffic infringements, to support the prosecution of offences in terms of the national and provincial laws relating to road traffic, and implement a points demerit system; to provide for the establishment of an agency to administer the scheme; to provide for the establishment of a board to represent the agency; and to provide for matters connected therewith

Traffic fines are issued by law enforcement officials to motorists or other road users indicating that they violated traffic laws. These come in two forms, citing a moving violation, such as exceeding the speed limit or a non-moving violation, such as a parking violation.

Electricity fines are administered in terms of Electricity Act 41 of 1987 section 27(2) which states that any person who without legal right (the proof of which shall be upon him) abstracts, branches off or diverts or causes to be abstracted, branched off or diverted any electric current, or consumes or uses any such current which has been wrongfully or unlawfully abstracted, branched off or diverted, knowing it to have been wrongfully or unlawfully abstracted, branched off or diverted, shall be guilty of an offence and liable on conviction to 55 the penalties which may be imposed for theft

In terms of the VAT ACT 89 of 1991 and its amendments municipalities must be VAT registered and must declare Output tax on the taxable supply of goods and services and claim Input tax credits on expenses incurred in the course or furtherance of the enterprise (the taxable supplies). The output tax is declared and the input tax is claimed by completing a VAT 201 return.

#### Determination of transaction amount

The Local Government: Municipal Property Rates Amendment Act, No. 19 of 2009 requires municipalities intending to levy a rate on property in accordance with the Act to cause:

- a general valuation to be made of all properties in the municipality
- a valuation roll to be prepared of all properties determined

A tariff structure is then setup in terms of the council approved tariff policy. The tariffs are then applied to different categories of rateable properties to determine the amount payable for each qualifying property. A statement of account is then sent to the owner of each property to notify them of the amount payable and payment timeframes

Both the Tariff and rates policy of the municipality are reviewed annually in compliance with the Act. During this review tariffs are also revised to ensure accuracy and correctness. The general valuation in terms of the Act is valid for five years but is also reviewed annually through a supplementary valuation.

#### Calculations of Traffic fines

The penalties on the Traffic fine list book are prescribed under section 29(b) for each infringement and must be imposed administratively in terms of Chapter III, subject to the discount contemplated in section 17(1)(d)

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 11. Statutory receivables (continued)

Calculations of Electricity fines

The penalties on the Electricity fine are prescribed in the municipal tariffs policy as adopted by municipal council.

#### VAT Receivables

The VAT 201 is a monthly VAT declaration that must be submitted by all VAT registered vendors as per the registered tax period. The return reflects the VAT for which the entity is liable to declare output tax and the amounts that can be deducted as input tax.

#### Interest or other charges levied/charged

Interest accrues after due date as indicated in the account statement which is 30 days, if the account remains unpaid at a rate of prime +1.

#### Basis used to assess and test whether a statutory receivable is impaired

The impairment is based on the impairment type risk scoring and payment risk scoring determined as follows:

Allocating a SCORE based on the account's ageing, account status, account type and whether it's an owner or occupier – 2 being the max score on each

If the account is inactive the status score gets a 2 and if the account is active (which means the possibility of retrieving the debt is better than the inactive account) it gets a zero score.

If the account is an occupier it gets a high score of 2 and if it's an owner its gets a zero because when the owner wants to sell he needs a clearance certificate and you will be able to retrieve the debt.

The last score is based on the Active Account Type Category – Government and Provincial accounts get a zero score because the municipality should be able settle the government accounts debt. Business score is 0.4 and household score is 1.25. In-Active account type the score is 2.

A score is allocated depending on whether the account has outstanding balances in 30days, 60days, 90days, 120days etc. and the older the debt the higher the score. Refer to the payment risk table below

The Total Type Risk = Status Risk Score + Account Type Risk Score + Owner/Occupier Type Risk Score

Total Payment Risk = the payment risk scoring added together

The Allowance factor is then the two risks multiplied together to get the numeric factor, the factor is then converted into a percentage which is applied to the outstanding balance. Any converted percentage from 100% and above is impaired fully (100%).

#### Statutory receivables past due but not impaired

Statutory receivables which are less than 1 month (Property rates and electricity fines) and Traffic fines which are less than 12 months past due are not considered to be impaired. At June 30, 2024, R3,208,123 (2023: R1,680,428) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	1,536,895	982,642
2 months past due	130,850	352,007
3 months past due	1,540,378	345,779

#### Factors the municipality considered in assessing statutory receivables past due but not impaired

Property rates that bare past due but not impaired are Governments and Provincial accounts that the municipality should be able to settle

Fines that are past due but not impaired are fines that were raised within 12 months of the financial year, and are outside the bracket of the traffic fines Impairment policy.

#### Statutory receivables impaired

As of June 30, 2024, Statutory receivables of R53,474,933 (2023: R47,193,250) were impaired and provided for.

The amount of the Allowance for doubtful debts was R7,980,473 as of June 30, 2024 (2023: R6,678,471).

The ageing of these receivables is as follows:

1 to 6 months	4,069,118	3,645,456
Over 6 months	49,405,814	43,547,794

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 11. Statutory receivables (continued)

#### Factors the municipality considered in assessing statutory receivables impaired

Allowance for doubtful debts is determined according to the past payment patterns of the different consumers within the various categories. An impairment calculation is forward-looking and one must therefore use the number of days that the particular financial asset is still expected to be outstanding based on the best information available at year-end. For this estimation it will be best to use a combination of key indicators that will provide a list of debtors that are most likely to be impaired.

Debtors are evaluated at each reporting date and impaired as per the impairment of debtors and write-off policy in line with National Treasury guidelines.

#### Reconciliation of allowance for doubtful debts for statutory receivables

Opening balance	(6,678,471)	(5,878,605)
Bad debts written off	80,651	117,601
Allowance for doubtful debts	(1,382,653)	(917,467)
	<u>(7,980,473)</u>	<u>(6,678,471)</u>

During the current year, the municipality started utilising the services of a debt collector as part of its implementation of the debt collection and credit control policy which has contributed to a reduction in the year to year debt impairment movement.

The Council took a resolution to write-off all outstanding traffic fines that are older than two years at reporting date as uncollectible.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 12. Prepayments

#### Prepayments

Prepayments	2,740,429	4,603,155
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Prepaid expenses are those expenses that are paid for in one accounting period, but for which the underlying services or goods will be received in a future period.

During the year under review the municipality paid for services and goods that will be received or rendered in the following accounting period.

These were the suppliers' requirements as they require payment before services or goods can be rendered or delivered. The suppliers are:

#### Suppliers

Belgotex Floor Covering	-	2,869,864
SALGA levies	1,598,039	1,542,082
SAGE VIP	-	190,875
South African Post Office	-	335
Munsoft (Pty) Ltd	506,008	-
Ndzila Investments	636,383	-
	<b>2,740,430</b>	<b>4,603,156</b>

Belgotex Floor Covering prepayment was for material that was needed for the Mphuthumi Mafumbatha Stadium, that was constructed.

Ndzila Investments for municipal assets' annual insurance premium for 2024/25 financial year.

Munsoft (Pty) Ltd annual licence fees for 2024/25 financial year.

SALGA Levies for period 2024/25 were settled in advance in order for the municipality to benefit from the 5% discount being offered for early settlement.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>13. Receivables from exchange transactions</b>		
<b>Gross balances</b>		
Receivables-service charges	49,746,511	39,572,393
<b>Less: Allowance for impairment</b>		
Allowance for doubtful debts	(17,969,903)	(17,453,260)
<b>Net balance</b>		
Receivables-service charges	31,776,608	22,119,133
<b>Gross service charges</b>		
Current (0- 30 days)	4,772,434	4,194,437
31 - 60 days	2,366,754	2,692,410
61 -90 days	2,357,801	2,392,680
91 -120 days	2,252,806	1,889,520
121 - 365 days	15,472,665	13,003,786
> 365 days	22,524,050	15,569,359
	<b>49,746,510</b>	<b>39,742,192</b>
<b>Gross balance</b>	<b>49,746,510</b>	<b>39,742,192</b>
<b>Net Balance service charges</b>		
Current (0 -30 days)	4,772,434	4,194,436
31 - 60 days	1,296,441	1,750,983
61 - 90 days	1,293,329	1,484,888
91 - 120 days	1,161,463	920,793
121 - 365 days	9,269,399	6,895,382
> 365 days	13,933,774	6,285,648
Bad debt written off	49,768	587,003
	<b>31,776,608</b>	<b>22,119,133</b>
<b>Summary of debtors by customer classification</b>		
<b>Consumers</b>		
Current (0 -30 days)	250,132	213,768
31 - 60 days	204,572	195,829
61 - 90 days	249,968	185,863
91 - 120 days	171,801	183,404
121 - 365 days	1,415,868	1,406,741
> 365 days	8,282,198	7,034,480
	10,574,539	9,220,085
Less: Allowance for doubtful debts	(4,768,005)	(6,504,498)
	<b>5,806,534</b>	<b>2,715,587</b>
<b>Industrial/ commercial</b>		
Current (0 -30 days)	3,691,673	3,263,910
31 - 60 days	1,406,774	1,903,154
61 - 90 days	1,330,151	1,169,456
91 - 120 days	1,357,954	1,204,296
121 - 365 days	8,555,910	8,020,044
> 365 days	10,913,014	6,396,365
	27,255,476	21,957,225
Less: Allowance for doubtful debts	(13,201,898)	(11,536,095)
	<b>14,053,578</b>	<b>10,421,130</b>
<b>National and provincial government</b>		
Current (0 -30 days)	830,629	716,759
31 - 60 days	755,408	593,428
61 - 90 days	777,682	1,037,362



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>13. Receivables from exchange transactions (continued)</b>		
91 - 120 days	723,052	501,820
121 - 365 days	5,500,887	3,577,002
> 365 days	3,328,838	2,138,515
	<b>11,916,496</b>	<b>8,564,886</b>
<b>Total</b>		
Current (0 -30 days)	4,772,434	4,194,436
31 - 60 days	2,366,754	2,692,410
61 - 90 days	2,357,801	2,392,680
91 - 120 days	2,252,806	1,889,520
121 - 365 days	15,472,665	13,003,786
> 365 days	22,524,051	15,399,560
	49,746,511	39,572,392
Less: Allowance for doubtful debts	(18,089,512)	(18,040,594)
Bad debt written off	119,609	587,335
	<b>31,776,608</b>	<b>22,119,133</b>
<b>Less: Allowance for doubtful debts</b>		
Current (0 -30 days)	-	-
31 - 60 days	(1,070,313)	(941,427)
61 - 90 days	(1,064,472)	(907,792)
91 - 120 days	(1,091,343)	(968,727)
121 - 365 days	(6,203,266)	(6,108,404)
> 365 days	(8,660,118)	(9,114,244)
Bad debt written off	119,609	587,334
	<b>(17,969,903)</b>	<b>(17,453,260)</b>
<b>Reconciliation of allowance for doubtful debts</b>		
Balance at beginning of the year	(17,453,260)	(17,902,368)
Bad debts written off	119,609	587,334
Allowance for doubtful debts	(636,252)	(138,226)
	<b>(17,969,903)</b>	<b>(17,453,260)</b>
<b>Consumer debtors pledged as security</b>		
There were no consumer debtors that were pledged as security in the 2023/24 financial year.		
<b>Credit quality of consumer debtors</b>		
In determining the recoverability of consumer debt the municipality considers any changes in the credit quality of the consumer debtor from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the consumer base being large and unrelated. Accordingly, the allowance for doubtful debts is determined according to the past payment patterns of each consumers within the various categories. The calculation of the allowance for doubtful debts is automated in the system which is configured according to the national treasury scoring method.		
<b>Fair value of receivables- service charges</b>		
Consumer debtors	31,776,608	22,288,932
The value of receivables from service charges is determined by taking the gross amount less the allowance for doubtful debts.		

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>13. Receivables from exchange transactions (continued)</b>		
<b>Consumer debtors past due but not impaired</b>		
Consumer debtors which are less than 3 months past due are not considered to be impaired. At June 30, 2024, R 15,509,276 (2023: R 6,327,046) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	4,772,434	4,787,864
2 months past due	755,508	1,037,362
3 months past due	10,330,459	501,820
<b>Consumer debtors impaired</b>		
As of June 30, 2024, consumer debtors of R 15,858,302 (2023: R 24,706,170) were impaired and allowed for.		
The amount of the allowance for doubtful debts was R 17,969,903 as of June 30, 2024 (2023: R 19,080,052).		
The ageing of these receivables are as follows:		
3 to 6 months	11,501,532	5,499,397
Over 6 months	19,195,212	19,206,773
<b>Reconciliation of allowance for doubtful debts of consumer debtor</b>		
Opening balance	(17,453,260)	(17,902,368)
Bad debt written off	119,609	587,334
Allowance for doubtful debt	(636,252)	(138,226)
	<b>(17,969,903)</b>	<b>(17,453,260)</b>

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 14. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4	4
Bank balances	12,930,041	956,930
Short-term deposits	447,858,237	359,058,466
	<b>460,788,282</b>	<b>360,015,400</b>

### The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2024	June 30, 2023	June 30, 2022
FNB BANK - Public Sector- Cheque account-57104922107	12,866,680	902,583	2,940,039	12,930,041	956,929	2,951,487
FNB BANK - Business Call Account - 62852108531	10,956,621	4,824,046	206	10,956,629	4,824,047	-
FNB BANK - Business Call Account - 62816773073	12	33	19	12	33	19
FNB BANK - Business Call Account - 62816769220	141,607	348,619	357,312	141,607	348,618	357,312
FNB BANK - Business Call Account - 62028477992	427,394,115	351,690,116	267,495,116	427,394,115	351,690,116	267,495,116
FNB BANK - Business Call Account - 62896110170	7,862,289	2,195,648	6,304,880	7,862,289	2,195,571	6,304,880
FNB BANK - Business Call Account - 62459758078	1,503,589	-	-	1,503,589	-	-
<b>Total</b>	<b>460,724,913</b>	<b>359,961,045</b>	<b>277,097,572</b>	<b>460,788,282</b>	<b>360,015,314</b>	<b>277,108,814</b>

### 15. Payables from exchange transactions

Trade payables	35,998,265	3,002,177
Payments received in advanced	1,526,153	1,420,839
Retention and surety	22,701,946	25,026,021
Accruals	13,298,021	23,081,221
Workmen's Compensation	297,876	265,724
Unallocated receipts	1,517,870	1,517,870
Payroll Creditors	644,977	475,568
	<b>75,985,108</b>	<b>54,789,420</b>

### Fair value of trade and other payables

Trade payables	75,985,108	54,789,420
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### 16. VAT payable

VAT Payable	2,513,926	-
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### 17. Consumer deposits

Electricity	111,597	114,597
Hall Hire	385,006	382,650
	<b>496,603</b>	<b>497,247</b>

Consumer deposits for electricity are paid by consumers on application for new electricity connections. The deposits are repaid when the electricity connections are terminated. In cases where consumers default on their accounts council can utilise the deposits as payment for the outstanding amount.

Hall hire deposits are paid by consumers on hiring any of the municipal community halls. The deposit is a damage deposit and is paid back to the consumer after the event and if no damages occurred.

Consumer deposits collected do not accrue any interest

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

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	2024	2023
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### 17. Consumer deposits (continued)

The carrying value of consumer deposits approximates their fair value.

### 18. Employee benefits obligation

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

Carrying value		
Opening balance	(17,808,245)	(18,977,260)
Additions during the year	(20,864,354)	(17,808,244)
Utilised during the year	4,316,028	5,551,703
Reversed during the year	13,492,219	13,425,556
	<b>(20,864,352)</b>	<b>(17,808,245)</b>

The employee benefits obligation consist of the following:

#### Bonus

All permanent employees are entitled to receive a bonus equal to one month basic salary on their birth month, therefore the proportionate bonus is accrued from year end till the next birth date for each employee.

Bonus		
Opening Balance	3,591,686	3,282,309
Utilised during the year	(2,489,780)	(3,282,309)
Additions	3,850,183	3,617,414
Reversed	(1,127,634)	-
	<b>3,824,455</b>	<b>3,617,414</b>

#### Staff leave

The municipality offers employees 2 days for every month completed and is therefore liable to pay employee the amount equivalent to the leave days not taken at year end upon resignation or retirement. This is calculated based on the cost to the company rate per day.

Staff Leave		
Opening Balance	13,425,875	15,084,149
Utilised during the year	(1,460,580)	(1,982,704)
Additions	15,799,580	13,425,875
Reversed	(11,965,295)	(13,101,446)
	<b>15,799,580</b>	<b>13,425,874</b>

#### Long service award

The municipal employees are entitled to a cash payout and leave days when they reach a certain milestone as per the SALGBC agreement.

Long service award		
Opening balance	764,958	610,802
Utilised during the year	(365,667)	(286,690)
Additions	1,214,592	764,957
Reversed	(399,291)	(324,111)
	<b>1,214,592</b>	<b>764,958</b>

### 19. Unspent conditional grants and receipts

The conditions relating to full expenditure were not met for the grants disclosed as unspent conditional grants and receipts. These amounts are accounted for as a current liability until a roll-over is granted by National Treasury and the spending condition is met.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

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### 19. Unspent conditional grants and receipts (continued)

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts	2024	2023
DSRAC: Library Grant	139,377	-
EPWP Grant	4	4
Disaster Recovery Grant	1,400,297	6,071,429
GIS Grant - Alfred Nzo	100,000	100,000
Municipal Infrastructure Grant	2	(2)
General Budget Support Grant	6,634,045	2,015,384
Disaster Response Grant	5,924,040	-
Greenest Municipality Grant	211,686	11,686
	<b>14,409,451</b>	<b>8,198,501</b>

### Movement during the year

Balance at the beginning of the year	8,198,501	7,445,110
Additions during the year	87,784,825	103,565,000
Income recognition during the year	(79,558,515)	(100,095,119)
Surrendered to National revenue fund during the year	(2,015,360)	(2,716,490)
	<b>14,409,451</b>	<b>8,198,501</b>

### 20. Provisions

#### Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Environmental rehabilitation	12,714,522	13,017,472	(2,082,221)	(10,632,303)	13,017,470

#### Reconciliation of provisions - 2023

	Opening Balance	Utilised during the year	Reduction due to re-measurement	Total
Environmental rehabilitation	24,785,204	(391,977)	(11,678,705)	12,714,522
Non-current liabilities			11,950,306	10,632,303
Current liabilities			1,067,164	2,082,219
			<b>13,017,470</b>	<b>12,714,522</b>

#### Environmental rehabilitation provision

The municipality operates a refuse disposal site. In accordance with legislation and to comply with the Department of Water Affairs (DWA) and Department of Economic Development and Environmental Affairs (DEDEAT) on the landfill waste sites, the municipality raises a provision every year for the estimated cost of rehabilitating the land over which the site is situated.

The provision has been made for this cost based on the construction budget to rehabilitate the landfill site at 30 June 2024 taking into account price escalation of 5.1% and 8.84 discount rate.

A valuation of the rehabilitation was conducted by an independent valuer (Ziinzame Consulting Engineers) and a liability has been raised. Movements in the provision are recognised in the Statement of Financial Performance. The Provision has been determined on the basis of a recent independent financial requirement and viability.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

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2023

### 21. Financial instruments disclosure

#### Categories of financial instruments

##### 2024

#### Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	33,178,176	33,178,176
Receivables from non-exchange transactions	4,088,994	4,088,994
Cash and cash equivalents	460,788,282	460,788,282
	<b>498,055,452</b>	<b>498,055,452</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	75,985,108	75,985,108
Unspent conditional grants and receipts	14,409,451	14,409,451
Consumer Deposits	496,603	496,603
	<b>90,891,162</b>	<b>90,891,162</b>

##### 2023

#### Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	23,891,511	23,891,511
Receivables from non-exchange transactions	2,226,890	2,226,890
Cash and cash equivalents	360,015,400	360,015,400
	<b>386,133,801</b>	<b>386,133,801</b>

#### Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	54,789,420	54,789,420
Unspent conditional grants and receipts	8,198,501	8,198,501
Consumer Deposits	497,247	497,247
	<b>63,485,168</b>	<b>63,485,168</b>

#### Financial instruments in Statement of financial performance

##### 2024

	At amortised cost	Total
Interest income for financial instruments at amortised cost	21,736,882	21,736,882

##### 2023

	At amortised cost	Total
Interest income for financial instruments at amortised cost	17,949,370	17,949,370



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>22. Revenue</b>		
Service charges	53,841,401	45,326,090
Construction contracts	14,066,835	14,432,149
Rental of facilities and equipment	7,969,863	7,575,950
Interest received from receivables	3,794,988	2,443,815
Agency services	1,298,390	1,360,653
Licences and Permits (Non-exchange)	2,102,291	2,169,042
Commissions received	188,290	164,806
Recoveries	735,339	78,500
Provision reduction	-	11,678,705
Other income - (rollup)	281,585	179,573
Interest received from current and non current assets	34,468,001	21,920,440
Property rates	21,713,167	21,160,320
Fines, penalties and forfeits	1,285,810	1,224,575
Interest received (non exchange)	5,200,308	3,961,083
Government grants & subsidies	421,102,369	420,600,999
Public contributions and donations	-	479,356
	<b>568,048,637</b>	<b>554,756,056</b>

**The amount included in revenue arising from exchanges of goods or services are as follows:**

Service charges	53,841,401	45,326,090
Construction contracts	14,066,835	14,432,149
Rental of facilities and equipment	7,969,863	7,575,950
Interest received (trading)	3,794,988	2,443,815
Agency services	1,298,390	1,360,653
Commissions received	188,290	164,806
Recoveries	735,339	78,500
Provision reduction	-	11,678,705
Other income - (rollup)	281,585	179,573
Interest received	34,468,001	21,920,440
	<b>116,644,692</b>	<b>105,160,681</b>

**The amount included in revenue arising from non-exchange transactions is as follows:**

<b>Taxation revenue</b>		
Property rates	21,713,167	21,160,320
Fines, penalties and forfeits	1,285,810	1,224,575
Licences or permits	2,102,291	2,169,042
Interest on non- exchange transactions	5,200,308	3,961,083
<b>Transfer revenue</b>		
Government grants & subsidies	421,102,369	420,600,999
Public contributions and donations	-	479,356
	<b>451,403,945</b>	<b>449,595,375</b>

**23. Service charges**

Sale of electricity	49,713,306	40,847,763
Solid waste	4,128,095	4,478,327
	<b>53,841,401</b>	<b>45,326,090</b>

**24. Construction contracts and payables**

The municipality receives an INEP allocation in terms of Schedule 5B of DORA.

This allocation is used to construct electricity infrastructure in arrears where Eskom is currently the distributor of electricity.

Therefore, upon completion, the infrastructure is hand-over to Eskom for operation and maintenance.

At June 30, 2024, retention of contracts in progress are R 3 395 525 (2023: R 1 313 138.57).

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>24. Construction contracts and payables (continued)</b>		
<b>Revenue</b>		
Redoubt/Lower Ethridge electrification	-	2,746,343
Nomlacu electrification	-	2,434,759
Msarhweni electrification	-	5,739,188
Zizityaneni electrification	4,116,052	3,512,026
Redoubt electrification phase 2	2,533,467	-
Nomlacu electrification phase 2	5,183,696	-
Msarhweni electrification phase 2	2,233,620	-
VAT (Output)	1,933,165	1,967,684
	<b>16,000,000</b>	<b>16,400,000</b>
<b>Expenditure (INEP)</b>		
Redoubt /Lower Ethridge electrification	-	2,746,343
Nomlacu electrification	-	2,434,759
Msarhweni electrification	-	5,739,188
Zizityaneni electrification	4,116,052	3,512,026
Redoubt electrification phase 2	2,533,467	-
Nomlacu electrification phase 2	5,183,696	-
Msarhweni electrification phase 2	2,233,620	-
VAT (Input)	1,933,165	1,967,684
	<b>16,000,000</b>	<b>16,400,000</b>
<b>Expenditure (Internally generated funds)</b>		
Redoubt electrification	2,685,363	-
Nomlacu electrification	3,971,435	-
Msarhweni electrification	2,292,006	-
	<b>8,948,804</b>	<b>-</b>

### Agreements that meet all the criteria in paragraph .29 of GRAP9

The municipality recognise revenue using the percentage of completion method for agreements that meet all the criteria in paragraph .29 of GRAP9 (Revenue from Exchange Transactions), continuously as construction progresses.

The municipality determines which agreements meet all the criteria in paragraph .29 of the Standard of GRAP on Revenue from Exchange Transactions continuously as construction progresses in the following manner:

The amount of revenue arising from such agreements in the period	14,066,835	14,432,149
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The office of the accountant general issued guidelines to municipalities on how to account for the revenue and expenditure incurred on the construction of infrastructure that will then be handed over to Eskom once completed which brought changes to how municipalities have been accounting for the transactions related to the INEP grant allocations municipalities receive.

In compliance with the requirements of the guidelines the municipality has had to separately disclose revenue recognised from the allocation related to work performed where the resulting infrastructure will not belong to the municipality as construction contracts revenue to reflect the nature of activity carried out for the revenue to be recognised than the source of the fund which has always been the case.

This change was deemed necessary to comply with the requirements of the guidelines issued by the Office of the Accountant General.

Engagements with National and Provincial Treasuries were held during the year to discuss the implications of the guidelines on a number of issues but, by the time these annual financial statements were finalised for approval and submission for auditing there had been no conclusion on the matters raised in the discussions.

### 25. Rental of facilities and equipment

Facilities and equipment	2024	2023
Leasehold fees	7,635,025	7,540,862
Rental of recreational facilities	334,838	35,088
	<b>7,969,863</b>	<b>7,575,950</b>

Included in the above rentals are operating lease rentals at straight-lined amounts of R 2,962,065 (2023: R 3,220,910) .

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 25. Rental of facilities and equipment (continued)

#### Minimum lease payments receivables

Within one year	1,003,952	953,422
In second to fifth year inclusive	4,588,020	4,357,094
Over five years	2,207,320	3,449,606
	<b>7,799,292</b>	<b>8,760,122</b>

The municipality is leasing out certain property to Collins Property Investment (Browns Cash and Carry). The lease agreement has a term of 10 years and rentals escalate by CPI every anniversary. No contingent rents are receivable

#### Minimum lease payments receivables

Within one year	803,452	743,937
In second to fifth year inclusive	3,910,082	3,620,446
Over five years	21,437,974	22,531,062
	<b>26,151,508</b>	<b>26,895,445</b>

The municipality is leasing out certain property to Blue Raindrops Trading CC. The lease agreement has a term of 20 years and rentals escalates by 8% every anniversary. No contingent rents are receivable

#### Minimum lease payments receivable

Within one year	-	30,140
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The municipality is leasing out certain property to Africa Best 350. The lease agreement has a term of 06 years and rentals escalates by 8% every anniversary. No contingent rents are receivable.

#### Minimum lease payments receivables

Within one year	2,583,500	2,414,486
In second to fifth year inclusive	12,273,536	11,470,594
Over five years	87,798,371	91,184,813
	<b>102,655,407</b>	<b>105,069,893</b>

The municipality is leasing out certain property to Slip Knot Investment 11 (Proprietary) Limited (Enyuka Prop Holding Limited). The lease agreement has a term of 26 years and rentals escalates by 7% each anniversary date. No contingent rents are receivable.

#### Minimum lease payments receivables

Within one year	151,190	139,990
In second to fifth year inclusive	735,780	681,277
Over five years	419,449	625,141
	<b>1,306,419</b>	<b>1,446,408</b>

The municipality is leasing out certain property to Cybromax. The lease agreement has a term of 10 years and rentals escalates by 8% each anniversary date. No contingent rents are receivable.

#### Minimum lease payments receivables

Within one year	96,704	13,991
In second to fifth year inclusive	256,827	-
	<b>353,531</b>	<b>13,991</b>

The municipality is leasing out certain property to Jake Parkers (PTY) LTD. The lease agreement has a term of 5 years and rentals escalates by 8% each anniversary date. No contingent rents are receivable.

### 26. Interest received from receivables

Interest received from receivables	3,794,988	2,443,815
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### 27. Agency services

Driver's Licenses	1,298,390	1,360,653
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# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>28. Other income</b>		
Commissions received	188,290	164,806
Losses recovered	80,515	25,550
Municipal debt recoveries	654,824	52,950
Provision reduction	-	11,678,705
Other income - (rollup)	281,585	179,573
	<b>1,205,214</b>	<b>12,101,584</b>
<b>The amount included in other revenue arising from exchanges of goods or services are as follows:</b>		
Sundry Income	104,772	33,498
Building plans	76,755	62,458
Advertising	92,467	70,260
Funeral fees	7,591	13,357
	<b>281,585</b>	<b>179,573</b>
<b>29. Interest received from current and non current assets</b>		
<b>Interest revenue</b>		
Bank	34,468,001	21,920,440

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>30. Property rates</b>		
<b>Rates income</b>		
Rates levied	21,713,167	21,160,320
<b>Valuations</b>		
Residential	211,456,500	211,456,500
Commercial	830,740,500	830,740,500
State	1,182,448,500	1,182,448,500
Municipal	91,341,000	91,341,000
	<b>2,315,986,500</b>	<b>2,315,986,500</b>
<p>Valuations on land and buildings are performed every 5 years by an independent valuer (currently being Sizanane Consulting). The last general valuation came into effect on 1 July 2019. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.</p> <p>A general rate of R0.0144 (business), R0.0070 (Residential), R0.0130 (State) is applied to property valuations to determine assessment rates. Rebates of R55 000 are granted to residential and state property owners.</p> <p>Rates are levied on an annual basis with the final date for payment being Saturday, September 30, 2023 for annual payment. Interest at prime plus 1% per annum (2023: 1%) is levied on rates outstanding 30 days after due.</p> <p>The municipality revaluated municipal properties that have lease agreement, for the purpose of renewing lease agreement.</p>		
<b>31. Fines, Penalties and Forfeits</b>		
Illegal connections fines	-	18,500
Law enforcement	13,700	-
Pound fines	30,710	29,675
Municipal traffic fines	1,241,400	1,176,400
	<b>1,285,810</b>	<b>1,224,575</b>
<b>32. Licences and permits (non-exchange)</b>		
Trading	7,149	7,382
Road and Transport	2,095,142	2,161,660
	<b>2,102,291</b>	<b>2,169,042</b>
<b>33. Interest received (non exchange)</b>		
Interest - non exchange	5,200,308	3,961,083
<b>34. Government grants &amp; subsidies</b>		
<b>Operating grants</b>		
Equitable share	341,204,000	320,095,000
IDP Grant	100,000	-
MIG Operational	2,679,125	2,534,100
Financial Management Grant	2,100,000	2,100,000
Expanded Public Works Programme Grant	3,042,000	3,687,000
LGSET / Skills Development Grant	239,856	410,879
Dept Sport & Culture - Library	360,623	1,548,203
Disaster Relief /response Grant	2,894,976	12,790,000
	<b>352,620,580</b>	<b>343,165,182</b>
<b>Capital grants</b>		
Municipal Infrastructure Grant	50,905,871	48,147,902
Disaster Recovery Grant	4,671,132	27,734,571
Disaster Response grant	10,370,985	-
General Budget Support Grant	2,533,801	1,553,344

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

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### 34. Government grants & subsidies (continued)

<b>68,481,789</b>	<b>77,435,817</b>
<b>421,102,369</b>	<b>420,600,999</b>

#### Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	87,784,822	103,565,000
Unconditional grants received	341,543,856	320,505,879
	<b>429,328,678</b>	<b>424,070,879</b>

#### Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

All registered indigents receive a monthly subsidy of R 3,598,342 (2023: R 5,567,256), which is funded from the grant.

#### Equitable Share

Current-year receipts	341,204,000	320,095,000
Conditions met - transferred to revenue	(341,204,000)	(320,095,000)
	-	-

#### DSRAC Library Grant

Balance unspent at beginning of year	-	1,048,203
Current-year receipts	500,000	500,000
Conditions met - transferred to revenue	(360,623)	(1,548,203)
	<b>139,377</b>	-

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants. (see note 18).

#### LGSETA / Skills Development Grant

Current-year receipts	239,855	410,879
Conditions met - transferred to revenue	(239,855)	(410,879)
	-	-

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

#### EPWP Grant

Balance unspent at beginning of year	4	4
Current-year receipts	3,042,000	3,687,000
Conditions met - transferred to revenue	(3,042,000)	(3,687,000)
	<b>4</b>	<b>4</b>

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

#### Financial Management Grant

Current-year receipts	2,100,000	2,100,000
Conditions met - transferred to revenue	(2,100,000)	(2,100,000)
	-	-

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 34. Government grants & subsidies (continued)

#### Disaster Recovery Grant

Balance unspent at beginning of year	6,071,429	-
Current-year receipts	-	33,806,000
Conditions met - transferred to revenue	(4,671,132)	(27,734,571)
	<u>1,400,297</u>	<u>6,071,429</u>

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants. (see note 19).

#### District IDP Grant

Current-year receipts	100,000	-
Conditions met - transferred to revenue	(100,000)	-
	<u>-</u>	<u>-</u>

The municipality fully met the spending conditions and the whole allocation was transferred to revenue..

#### GIS Grant - Alfred Nzo

Balance unspent at beginning of year	<u>100,000</u>	<u>100,000</u>
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The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants(see note 19).

#### Municipal Infrastructure Grant

Balance unspent at beginning of year	(2)	-
Current-year receipts	53,585,000	50,682,000
Conditions met - transferred to revenue	(53,584,996)	(50,682,002)
	<u>2</u>	<u>(2)</u>

The municipality fully met the spending conditions and the whole allocation was transferred to revenue.

#### General Budget Support Grant

Balance unspent at beginning of year	2,015,384	6,285,217
Current-year receipts	9,167,822	-
Conditions met - transferred to revenue	(2,533,800)	(1,553,344)
Surrendered to the National revenue fund	(2,015,361)	(2,716,489)
	<u>6,634,045</u>	<u>2,015,384</u>

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants (see note 19).

#### Disaster Response Grant

Current-year receipts	19,190,000	12,790,000
Conditions met - transferred to revenue	(13,265,960)	(12,790,000)
	<u>5,924,040</u>	<u>-</u>

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants. (see note 18)

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand

	2024	2023
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### 34. Government grants & subsidies (continued)

#### Greenest Municipality Grant

Balance unspent at beginning of year	11,686	11,686
Current-year receipts	200,000	-
	<u>211,686</u>	<u>11,686</u>

The spending conditions in relation to the grant received was not met fully, therefore the grant remains a liability as disclosed in the statement of financial position in unspent conditional grants (see note 19).

#### Changes in level of government grants

Based on the allocations set out in the Division of Revenue Act, (B2 of 2023), an average increase of about 6% in the level of government grant funding are expected over the forthcoming 3 financial years.

### 35. Government donations

District Donations	-	<u>479,356</u>
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# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

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<b>36. Employee related costs</b>		
Basic	87,886,489	81,886,864
Bonus	6,527,990	6,956,469
Medical aid - company contributions	6,454,289	5,707,630
UIF	571,755	544,570
SDL	1,285,989	1,197,723
Provision for leave	3,834,284	324,431
Cellphone allowance	691,938	731,439
Pension fund contribution	11,947,998	10,900,147
Bargaining council contribution	35,858	33,340
Overtime payments	1,674,514	634,967
Long-service awards	815,302	440,849
Car allowance	9,789,484	9,138,560
Housing benefits and allowances	4,377,817	4,165,362
Other allowances	1,542,082	1,597,397
Shift Allowance	821,612	752,331
Standby and Uniform Allowance	1,344,011	1,261,101
	<b>139,601,412</b>	<b>126,273,180</b>
<b>Remuneration of Municipal Manager</b>		
Annual remuneration	1,074,449	1,073,595
Car Allowance	400,870	400,519
Other	396,111	251,047
	<b>1,871,430</b>	<b>1,725,161</b>
<b>Remuneration of Senior Manager: Chief Financial Officer</b>		
Annual remuneration	836,337	823,481
Car Allowance	322,692	317,399
Other	387,164	290,925
	<b>1,546,193</b>	<b>1,431,805</b>
<b>Remuneration of Senior Manager: Corporate Services</b>		
Annual remuneration	913,585	983,630
Car Allowance	222,953	222,758
Other	341,480	204,180
	<b>1,478,018</b>	<b>1,410,568</b>
<b>Remuneration of Senior Manager: Community Services</b>		
Annual remuneration	839,069	557,232
Car Allowance	172,419	95,545
Other	359,865	188,113
	<b>1,371,353</b>	<b>840,890</b>
<b>Remuneration of Senior Manager: Engineering Services</b>		
Annual remuneration	873,435	825,059
Car Allowance	358,283	254,286
Other	145,514	379,173
	<b>1,377,232</b>	<b>1,458,518</b>
<b>Remuneration of Senior Manager: Planning and Development</b>		
Annual remuneration	910,553	909,866
Car Allowance	222,952	222,758
Other	318,652	204,180
	<b>1,452,157</b>	<b>1,336,804</b>

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand

2024                      2023

### 37. Remuneration of councillors

Cellphone Allowance	3,002,947	3,005,615
Public Office Allowance	1,172,598	1,178,550
Car Allowance	5,786,966	5,817,547
Annual remuneration	16,491,952	16,575,305
	<b>26,454,463</b>	<b>26,577,017</b>

### 38. Depreciation and amortisation

Property, plant and equipment	32,288,869	41,490,479
Intangible assets	128,594	11,821
	<b>32,417,463</b>	<b>41,502,300</b>

### 39. Impairment loss

#### Impairments

Property, plant and equipment	9,252,340	1,920,996
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Mbizana was affected by heavy rains in December 2023 and January 2024 which caused severe damages in various arears of Mbizana.

The municipality peromed an assessment of infrastructure where in Mqonjwana to Greenville access road that was still under construction was badly damaged.

An investigation with the constructing department reaveled that the project was one of the projects that were taking longer to complete than expected due to contractor disputes which led to construction being stopped.

The expenditure on the project was R8 217 099.03 of which only R116 550 consisting of a concrete slab was deemed recoverable since the road was completely washed away

In addition to Mqonjwana to Greenville access road, Ntinge access road was also identified to have been impaired

Other classes of assets which were also assessed for impairment resulted in some assets being impaired.

The impaired amount was:

Infrastructure Assets	R8 692 483.06
Community assets	R 107 736.95
Fumiture and Office equipment	R 271 614.32
Machinery and equipment	R 7 272.09
Transport	R 173 233.89

During the impairment assessment, the municipality identified assets that need to impaired due to their condition.

### 40. Interest and penalties

Penalties	9,607	-
Interest paid	40,555	-
	<b>50,162</b>	<b>-</b>

### 41. Lease rentals on operating lease

#### Equipment

Contractual amounts	5,723,859	4,736,656
---------------------	-----------	-----------

Operating lease payments represents rentals payable by the municipality for certain of its office equipment. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable.

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>42. Debt impairment</b>		
Movement-allowance for doubtful debts	2,150,337	1,058,936
Bad debts written off	123,529	345,147
	<b>2,273,866</b>	<b>1,404,083</b>

After COVID 19 pandemic, Russia/Ukraine conflict and Israel / Hamas turmoil the state of the economy in the country continues to deteriorate and therefore affecting people's affordability to pay for municipal levies and services. Furthermore, an increase in unemployment and poverty also resulted in consumer family priorities shifting to basic needs. It has also been noted that a culture of non-payment and entitlement in consumption of municipal services has, to some extent increased the non-payment of municipal services.

This has resulted in the municipality's assessment indicating that more debt may not be collectible resulting in a increase in the allowance for doubtful debts for the period as indicated above.

### 43. Bulk purchases

Electricity - Eskom	43,466,987	42,241,255
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#### Electricity losses

	Number 2024	Number 2023		
Units purchased	21,290,744	20,437,150	43,466,987	42,241,255
Units sold	(19,471,955)	(18,801,839)	(47,940,125)	(38,688,852)
<b>Total loss</b>	<b>1,818,789</b>	<b>1,635,311</b>	<b>(4,473,138)</b>	<b>3,552,403</b>
Comprising of:				
Non-technical losses	1,818,789	1,635,311	3,644,360	3,083,167
Percentage Loss:				
Non-technical losses	9 %	8 %	9 %	8 %

According to the NERSA cost of supply framework the tolerable range for energy losses is 5% to 12%.

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>44. Contracted services</b>		
<b>Presented previously</b>		
Other Contractors	614,993	448,593
<b>Outsourced Services</b>		
Business and Advisory	7,186,106	2,837,505
Catering Services	-	83,250
Internal Auditors	1,139,651	765,704
Meter Management	1,115,825	1,048,481
Personnel and Labour	3,062,852	2,755,148
Refuse Removal	676,726	230,000
Transport Services	473,150	558,673
<b>Consultants and Professional Services</b>		
Business and Advisory	505,780	671,674
Infrastructure and Planning	196,000	-
Legal Cost	9,663,460	9,206,234
<b>Contractors</b>		
Catering Services	3,814,738	3,043,306
Electrical	23,015,640	15,490,873
Employee Wellness	11,031	-
Event Promoters	805,085	374,384
Maintenance of Buildings and Facilities	1,869,078	3,965,138
Maintenance of Equipment	2,798,588	119,441
Maintenance of Assets	16,593,389	7,153,114
Pest Control and Fumigation	25,950	-
Safeguard and Security	9,237,700	9,458,000
Stage and Sound Crew	5,000	27,400
	<b>82,810,742</b>	<b>58,236,918</b>
<b>45. Transfer and subsidies</b>		
<b>Other subsidies</b>		
SMME Support	2,805,345	2,593,275

The municipality through its LED section supports qualifying small businesses and farmers with necessary equipment and tools to make their operations sustainable. The projects are selected through council processes and supported as per the required assistance which is only in the forms of tools and equipment.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>46. General expenses</b>		
Advertising	285,450	552,288
Auditors remuneration	3,852,656	4,116,112
Bank charges	157,557	162,042
Commission paid	603,292	508,661
Consumables	5,761,352	5,396,149
Promotional material and gifts	2,927,798	2,642,169
Hire	4,449,252	3,713,748
Insurance	2,045,540	2,576,217
IT expenses	2,236,411	2,654,065
Magazines, books and periodicals	446,448	466,089
Motor vehicle expenses	272,920	-
Fuel and oil	5,001,691	4,094,035
Placement fees	20,002	84,214
Postage and courier	291	771
Protective clothing	1,751,932	2,289,417
Subscriptions and membership fees	112,061	90,351
Telephone and fax	3,988,462	3,395,973
Training	2,324,545	1,046,206
Travel - local	7,435,584	10,149,378
Travel - overseas	87,951	92,110
Assets expensed	12,250	-
Free basic services	3,598,342	5,567,256
Vehicle registration fees	349,017	347,113
Ward committee fees	7,086,476	6,721,339
Other expenses	1,720,850	1,756,849
Dumping site rehabilitation	2,385,168	-
	<b>58,913,298</b>	<b>58,422,552</b>
<b>47. Loss on disposal of assets</b>		
Gain or loss on disposal of assets and liabilities	(9,369,808)	(1,458,339)
<b>48. Fair value adjustments</b>		
Investment property (Fair value model)	7,084,700	1,737,717
<b>49. Auditors' remuneration</b>		
Fees	3,852,656	4,116,112

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>50. Cash generated from operations</b>		
Surplus	161,993,592	191,127,202
<b>Adjustments for:</b>		
Depreciation and amortisation	32,417,463	41,502,300
Gains or loss on sale of assets and liabilities	9,369,808	1,458,339
Fair value adjustments	(7,084,700)	(1,737,717)
Impairment deficit	9,252,340	1,920,996
Debt impairment	2,273,866	1,404,083
Movements in operating lease assets and accruals	(3,406,375)	(3,704,047)
Movements in short - term benefits	3,056,107	(1,169,015)
Movements in provisions	302,948	(12,070,682)
Prior year adjustments	9	(19,176,580)
<b>Changes in working capital:</b>		
Inventories	597,348	(933,694)
Other Receivables from exchange transactions	370,810	600,812
Receivables from exchange transactions	(11,931,341)	1,358,108
Receivables from non-exchange transactions	(1,862,104)	(499,031)
Statutory receivables	(5,546,634)	7,400,732
Prepayments	1,862,726	7,515,474
Payables from exchange transactions	21,195,688	1,954,989
VAT	2,513,926	-
Unspent conditional grants and receipts	6,210,950	753,391
Consumer deposits	(644)	(8,630)
	<b>221,585,783</b>	<b>217,697,030</b>

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>51. Commitments</b>		
<b>Authorised capital expenditure</b>		
<b>Already contracted for but not provided for</b>		
• Infrastructure Assets	39,691,587	16,891,777
• Community Assets	6,905,232	9,128,295
• Other Assets	9,484,764	4,549,044
	<b>56,081,583</b>	<b>30,569,116</b>
<b>Total capital commitments</b>		
Already contracted for but not provided for	56,081,583	42,421,039
<b>Authorised operational expenditure</b>		
<b>Already contracted for but not provided for</b>		
• Operational Expenditure	31,072,546	23,503,510
• Integrated Electrification Projects	5,039,339	12,670,300
	<b>36,111,885</b>	<b>36,173,810</b>
<b>Total operational commitments</b>		
Already contracted for but not provided for	36,111,885	24,321,886
<b>Total commitments</b>		
<b>Total commitments</b>		
Authorised capital expenditure	56,081,583	42,421,039
Authorised operational expenditure	36,111,885	24,321,886
	<b>92,193,468</b>	<b>66,742,925</b>

This committed expenditure relates to expenditure that will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, future grants allocations etc.

A review of commitment register with its supporting schedules revealed that there were two projects that had negative balances at the end of 2022/23 Financial year.

### Operating leases - as lessee (expense)

#### Munsoft Minimum lease payments due

Within one year	4,745,027	4,313,661
In second to fifth year inclusive	-	4,745,027
	<b>4,745,027</b>	<b>9,058,688</b>

#### Techseeds Minimum Lease payments due

Within one year	1,352,222	1,352,222
In second to fifth year inclusive	-	1,352,222
	<b>1,352,222</b>	<b>2,704,444</b>

Operating lease payments represent rentals payable by the municipality for certain of its office equipment and financial system. No contingent rent is payable.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 52. Contingencies

At year end the municipality had the following contingent liabilities.

Cases against the municipality.

<b>Case 1 Vuyokazi Tobo vs Winnie Madikizela-Mandela Local Municipality</b> Claim for payments of R2 500 000 i.r.o damages for injuries allegedly caused as a result of being shot by an employee.	500,000	500,000
<b>Case 2 Hlongwe vs Winnie Madikizela-Mandela Local Municipality</b> Claim for payment of R19 637 500 i.r.o damages for injuries allegedly caused as a result of being shot by a municipality employee.	5,000,000	5,000,000
<b>Case 3 Mohamed Randareen vs Winnie Madikizela-Mandela Local Municipality</b> Claim for electricity costs after meter tempering and/or incorrect billing	148,000	148,000
<b>Case 4 Iqhaya Design and workshop vs Winnie Madikizela-Mandela Local Municipality</b> Arbitration amounting to R665 573.70 for termination of contract MBIZLM 1212017	665,574	665,574
<b>Case 5 Lucky Shusha vs Winnie Madikizela-Mandela Local Municipality and Municipal Manager</b> Matter involving request of access to information on various projects done by the municipality.	50,000	50,000
<b>Case 6 Zwelemfundo Mbonwa and three others vs Winnie Madikizela- Mandela LM and SAPS</b> Claim in regards of seizure of goods belonging to Mr Mbonwa who is hawker amounting to R118 060	118,060	-
	<b>6,481,634</b>	<b>6,363,574</b>

### Contingent assets

At year end the municipality had no contingent assets.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 53. Related parties

Relationships	
Mayor	Ms TD Mafumbatha
Speaker	Mr Z Mhlwazi
Whip of Council	Mr M Mbele
Executive Council members- full time	4 members
Executive Council members- part time	5 part time
Council members	52 members
Section 57 Managers	6 members

#### Related party balances

##### Loan accounts - Owing (to) by related parties

Councillor Overpayment	468,971	485,531
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##### Compensation to Accounting officer and Key Management

Municipal Manager	1,673,101	1,775,970
Chief Financial Officer	1,435,896	1,495,564
Senior Manager - Corporate services	1,394,926	1,427,715
Senior Manager - Community Services	1,269,347	789,530
Senior Manager - Engineering Services	1,593,217	1,335,755
Senior Manager - Development Planning	1,350,097	1,390,214
Mayor	1,002,292	1,002,292
Speaker	811,522	804,134
Whip of Council	735,473	763,741
Councillors	24,640,285	24,770,229

The Mayor, Speaker and Whip of Council are full time. Each is provided with an office and secretarial support at the cost of the council.

The Mayor, and Speaker have the use of council owned vehicles for official duties.

The Mayor has one full-time bodyguard and driver.

The Speaker has one full-time bodyguard and driver

#### Key management information

Class	Description	Number
Mayor	Councillor	1
Speaker	Councillor	1
Whip of Council	Councillor	1
Executive Committee	Councillors	9
Councillors	Councillor	52
Municipal Manager	Accounting Officer	1
Chief Financial Officer	Senior Manager	1
Senior Manager- Corporate Services	Senior Manager	1
Senior Manager - Community Services	Senior Manager	1
Senior Manager - Engineering Services	Senior Manager	1
Senior Manager - Development Planning	Senior Manager	1

#### Remuneration of management

##### Management class: Councillors

##### 2024

Name	Basic salary	Travel/ Car allowance	Cellphone Allowance	Public Office	Total
Mayor	668,956	238,913	47,004	47,783	1,002,656
Speaker	535,163	191,130	47,004	38,226	811,523
Whip of Council	481,929	172,117	47,004	34,423	735,473
MPAC Chairperson	486,998	173,928	47,004	34,786	742,716
Executive committee	3,664,792	1,308,854	467,820	261,771	5,703,237
Councillors	10,653,254	3,702,627	2,347,328	755,649	17,458,858

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand

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### 53. Related parties (continued)

<b>16,491,092</b>	<b>5,787,569</b>	<b>3,003,164</b>	<b>1,172,638</b>	<b>26,454,463</b>
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#### 2023

	Basic salary	Travel/ Car allowance	Cellphone Allowance	Public Office	Total
<b>Name</b>					
Mayor	668,955	238,912	47,004	47,783	1,002,654
Speaker	529,990	189,282	47,004	37,858	804,134
Whip of Council	501,716	179,184	47,004	35,837	763,741
MPAC Chairperson	486,996	173,928	47,004	34,911	742,839
Executive Committee members	3,911,698	1,397,438	509,621	279,280	6,098,037
Councillors	10,475,950	3,638,803	2,307,978	742,881	17,165,612
	<b>16,575,305</b>	<b>5,817,547</b>	<b>3,005,615</b>	<b>1,178,550</b>	<b>26,577,017</b>

#### Management class: Executive management

#### 2024

	Basic salary	Travel/ Car allowance	Other Benefits	Total
<b>Name</b>				
Municipal Manager	1,074,449	400,870	197,782	1,673,101
Chief Financial Officer	836,337	322,692	276,867	1,435,896
Senior Manager: Development Planning	910,553	222,952	216,592	1,350,097
Senior Manager: Engineering Services	873,435	358,283	361,499	1,593,217
Senior Manager: Corporate Services	913,585	222,952	258,388	1,394,925
Senior Manager: Community Services	839,070	172,419	257,859	1,269,348
	<b>5,447,429</b>	<b>1,700,168</b>	<b>1,568,987</b>	<b>8,716,584</b>

#### 2023

	Basic salary	Travel/ Car allowance	Other Benefits	Total
<b>Name</b>				
Municipal Manager	1,073,595	400,519	489,496	1,963,610
Chief Financial Officer	823,481	317,399	496,518	1,637,398
Senior Manager: Development Planning	909,866	222,758	474,152	1,606,776
Senior Manager: Engineering Services	825,058	254,285	243,902	1,323,245
Senior Manager: Corporate Services	983,630	222,758	494,061	1,700,449
Senior Manager: Community Services	554,105	95,545	157,351	807,001
	<b>5,169,735</b>	<b>1,513,264</b>	<b>2,355,480</b>	<b>9,038,479</b>

#### Management class: Key advisors/Sub committees

#### 2024

	Fees for services as a member of management	Travel Claims	Total
<b>Audit and Risk committee</b>			
Chairperson of the audit committee	86,536	1,908	88,444
Chairperson of the risk management committee	43,502	3,979	47,481
Audit committee members	64,977	32,013	96,990
	<b>195,015</b>	<b>37,900</b>	<b>232,915</b>

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 53. Related parties (continued)

2023

	Fees for services as a member of management	Travel Claims	Total
<b>Audit Committee</b>			
Chairperson of the audit committee	118,889	8,825	127,714
Audit committee members	80,983	14,299	95,282
	<b>199,872</b>	<b>23,124</b>	<b>222,996</b>

### 54. Risk management

#### Financial risk management

The municipality's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price 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. Risk management is carried out by a central treasury department (entity treasury) under policies approved by the accounting officer. Municipality treasury identifies, evaluates and hedges financial risks in close co-operation with the municipality's operating units. The accounting officer provide written principles for overall risk management, as well as written policies covering specific areas.

#### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At June 30, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	75,985,108	-	-	-
Consumer Deposits	2,353	2,986	168,618	322,646
At June 30, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	54,789,420	-	-	-
Consumer Deposits	2,986	168,618	17,953	304,693

Liquidity risk is mainly concentrated on the trade and other payables balance. The municipality does not have any collateral and /or credit enhancements that aid in the mitigation of the liquidity risk.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand 2024 2023

### 54. Risk management (continued)

#### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The financial assets carried at amortized cost exposed the municipality to credit risk. The value of the maximum exposure to credit risk are as follows for each class of financial assets at amortized cost.

Financial instrument	2024	2023
Cash and Cash Equivalents	460,788,282	360,015,400
Other receivables from exchange transactions	1,401,568	1,772,378
Receivables from non-exchange transactions	4,088,993	2,226,890
Receivables from exchange transactions	31,776,608	22,119,133

#### Market risk

##### Interest rate risk

The municipality limits its interest risk exposure by only conducting business with financial institutions registered in terms of Bank Act 94 of 1990.

### 55. Going concern

We draw attention to the fact that at June 30, 2024, the municipality had an accumulated surplus (deficit) of R 1,385,002,097 and that the municipality's total assets exceed its liabilities by R 1,385,002,097.

The audited 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.

The ability of the municipality to continue as a going concern is dependent on a number of other factors. The most significant of these is that the accounting officer continue to source and explore more funding for the ongoing operations for the municipality

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
<b>56. Fruitless and wasteful expenditure</b>		
Opening balance as previously reported	20,400	5,032,648
Add: Fruitless and wasteful expenditure identified - current	50,783	20,400
Less: Amount written off - current	(10,229)	(5,032,648)
Less: Transferred to receivables for recovery	(40,554)	-
<b>Closing balance</b>	<b>20,400</b>	<b>20,400</b>

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Notes to the Audited Annual Financial Statements

Figures in Rand		2024	2023
<b>56. Fruitless and wasteful expenditure (continued)</b>			
<b>Details of fruitless and wasteful expenditure</b>			
	<b>Disciplinary steps taken/criminal proceedings</b>		
SARS fines and penalties	amounts was written off, no disciplinary actions	9,607	-
Damages on hired vehicles	amounts under investigation	-	20,400
Interest on overdue account	recovery process is underway	40,554	-
Cancellation fee charged	amounts was written off, no disciplinary actions	622	-
		<b>50,783</b>	<b>20,400</b>

#### Amount recovered

After the council committee investigations, council adopted the council committee recommendations to recover an amount of R 40,554 from the Manager concerned in line with his acceptance of liability.

A corresponding debtor has been raised in the books of the municipality for an amount of R40 554 which was classified as fruitless & wasteful expenditure in the current year.

#### Amount written-off

After the council committee investigations, council adopted the council committee recommendation to write-off an amount of R 10,229 relating to current financial year wasteful expenditure amount as it was proven without reasonable doubt that the amount was not recoverable.

#### 57. Irregular expenditure

Opening balance	94,320,839	-
Add: Expenditure incurred before 2022-2023 Consultants	-	26,122,024
Add: Expenditure incurred before 2022-2023 Contractors	-	16,624,476
Add: Irregular expenditure - current	945,404	1,842,061
Add: Current year adjustment	74,092,311	49,732,278
Less: Amount written off - current	(1,842,061)	-
<b>Closing balance</b>	<b>167,516,493</b>	<b>94,320,839</b>

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**57. Irregular expenditure (continued)**

Incidents/cases identified/reported in the current year include those listed below:

	Description/Details		
Non compliance with SCM regulations	Bidder not disqualified for reasons other bidders were disqualified for and other bidders were disqualified for reasons no longer applicable after the regulations were revised.	-	453,510
Non compliance with SCM regulations	The bidder's quotation had calculation errors which were not picked up while other bidders were eliminated for the same reasons.	62,104	28,116
Non compliance with SCM regulations	The bidder submitted an expired Tax pin while the requirements required a valid Tax pin.	-	165,750
Non compliance with SCM regulations	Bidder not disqualified for reasons other bidders were disqualified for and other bidders were disqualified for reasons no longer applicable after the regulations were revised.	-	1,194,685
Non compliance with SCM Regulations	The Bidder did not submit Bill of quantities to support total Bid amount	883,300	-
Non compliance with SCM Regulations	Bidders allocation process was found not to be in line with s217 of the Constitution	287,772	1,146,544
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	3,175,490	887,664
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	1,735,843	797,010
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	1,834,325	2,802,242
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	658,599	365,389
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	6,617,465	381,183
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	6,769,178	6,486,392
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	7,589,469	4,176,887
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	7,035,678	6,150,356
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	5,987,950	10,502,044
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	8,230,349	3,353,583
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	3,784,527	-
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	6,454,890	5,777,273
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	7,045,790	2,250,085
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	6,884,983	1,451,668
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	-	2,980,000
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	-	18,832
Non compliance with SCM Regulations	Bidder's allocation process was found not to be in line with s217 of the Constitution	-	205,123
		<b>75,037,712</b>	<b>51,574,336</b>

The opening balance for 2022-23 has been adjusted to include expenditures incurred between 2019/20 and 2021/22 that were discovered in the current year and will be reported in the next council meeting as they came up during the Audit

The expenditure incurred in the 2023/24 and 2022/23 financial years has been adjusted to include expenditure incurred in those years relation to the allocation process for panels that was found to be not fully in line with the requirements of s217 of the constitution and therefore not in compliance with the SCM regulations as well.

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### 57. Irregular expenditure (continued)

The previously reported current year opening balances of Irregular and Fruitless Expenditure discovered during 2022/23 Financial year has been written off in the current year with some transactions referred to Corporate Services for Further Investigation.

During the year the internal Audit discovered that Vilo Security Services was awarded for Supply and Delivery of Agricultural Inputs with an Incorrect document (Bid Document Submitted with no pricing schedule that was included in the document).

#### Amount written-off

After the council committee investigations, council adopted the council committee recommendation to write-off an amount of R 1,842,061 that was incurred in 2022/23, irregular expenditure amount as it was proven without reasonable doubt that the amount was not recoverable. The matters were referred to Corporate services for internal processes.



# Winnie Madikizela-Mandela Local Municipality

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### 58. Additional disclosure in terms of Municipal Finance Management Act

#### Contributions to organised local government

Opening balance	191	191
Current year subscription / fee	1,119,552	987,751
Amount paid - current year	(1,119,552)	(987,751)
	<b>191</b>	<b>191</b>

#### Audit fees

Current year subscription / fee	3,852,656	4,116,112
Amount paid - current year	(3,852,656)	(4,116,112)
	-	-

#### PAYE and UIF

Opening balance	2,994	2,994
Current year subscription / fee	23,892,330	22,437,190
Amount paid - current year	(23,892,330)	(22,437,190)
	<b>2,994</b>	<b>2,994</b>

#### Pension and Medical Aid Deductions

Opening balance	(43,308)	(43,308)
Current year subscription / fee	29,422,236	26,395,328
Amount paid - current year	(29,422,236)	(26,395,328)
	<b>(43,308)</b>	<b>(43,308)</b>

The following Medical Aids were paid during the period:

Bonitas, Sizwe HosMed, SAMWU national medical aid, LA Health and Key Health.

The following Pension funds were paid during the period:

Consolidate Retirement fund, SAMWU Provident fund, Municipal pension fund, SALA Pension Fund, Eastern Cape Garranty Fund

#### Skills Development Levy

Opening balance	(90)	(90)
Current year subscription/fee	1,418,456	1,319,918
Amount paid - current year	(1,418,456)	(1,319,918)
	<b>(90)</b>	<b>(90)</b>

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### 59. 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 audited annual financial statements.

Winnie Madikizela-Mandela LM have incurred expenditure by not following the Supply Chain Management policy during the year. There were no three quotes obtained as per the SCM policy for maintenance of backup generator, laptop repairs. These procurement resulted to Deviations totalling to R53 701.00

### Supply Chain Management Regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved by the Municipal Manager and noted by Council. The expenses incurred as listed hereunder have been approved.

### Emergency Procurement

Maintenance of Toyota Hilux HLW 365 EC for electricity section	-	193,716
Repair of Refuse Truck DTH 289 EC	-	157,029
Fraud awareness workshop to newly appointed councillors	-	198,500
Procurement of municipal firearms Glock 19	-	163,000
Repairs of budget and Reporting Manager's crashed laptop HP ENVY x360 Convertible	3,837	11,869
Repairing of Engineering bakkie: HLN 081 EC	-	76,778
Shortfall on the replacement vehicle for the Mayors Office	-	139,370
Rehabilitation of ext 3 dumping site for three months	-	188,150
Maintenance of Backup generator	49,864	-
	<b>53,701</b>	<b>1,128,412</b>

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### 60. Accounting by principals and agents

The municipality is a party to a principal-agent arrangement(s).

#### Details of the arrangement(s) is/are as follows:

##### Registration and Licensing of Motor Vehicle

The Municipality has been registered as a registering authority in accordance with section 3(1) of the Road Traffic Act, 1996 (Act No. 93 of 1996), subject to the conditions imposed by the Member of the Executive Council (MEC) responsible for Transport. As such the Municipality performs the functions of a registering authority as contemplated by section 3(1) of the Road Traffic Act, read with the National Road Traffic Regulation

The revenue that is derived from the registration and licensing of motor vehicles is paid into the Provincial Revenue Fund as required by section 41 of the Eastern Cape Road Traffic Act, 1998 (Act No.3 of 1999), while the Municipality, in order to perform its functions as a registering authority, and in the spirit of co-operative governance as enshrined in Chapter 3 of the Constitution, is entitled to receive a portion of the revenue generated, subject to the terms and conditions as set out in the Agreement, with particular reference to clause 6 of the Agreement.

Municipality is entitled to a fee equal to the collection fee of 19% (nineteen percent), including VAT for all fees collected in terms of clause 6.2 for motor vehicle registration and licensing fees.

Municipality shall, in terms of applicable national and provincial road traffic legislation and the Agreement, be responsible for the following motor vehicle registration and licensing functions: registration of vehicles, vehicle search, issue of duplicate registration certificate, deregistration of a motor vehicle, change of particulars of an owner or a titleholder with respect to registration and licensing, change of particulars of a motor vehicle, issue of a temporary or special permit, licensing of a vehicle in a private person's or legally recognised entity's name; licensing of a financed vehicle, in a private person's or legally recognised entity's name; licensing and allocating of a personalised licence number; retention of a vehicle licence number; notification of change of titleholder and or ownership of a vehicle; processing address changes as required; application for refund, if due, to be issued by the Department of Transport, Head office in King William's Town Eastern Cape Province; application for special classification of a vehicle; application for Traffic Register Number; application for Motor Trade Number; referral of all motor vehicle registration and licensing queries, complaints and disputes to the Departmental employee specified by the Transport Regulation contact person within 2 (two) working days of a query or lodging of a complaint or dispute; and any other transaction reasonably requested by the Department.

#### CONLOG.

The municipality is licenced to distribute electricity in town for which the municipality has a vending contract with Conlog for the utilisation of their system to distribute or to sell electricity tokens.

As part of the distribution of electricity tokens Conlog also sells electricity tokens on behalf of the municipality for which the municipality compensate Conlog for this service.

#### Municipality as agent

##### Resources held on behalf of the principal(s), but recognised in the municipality's own financial statements

The municipality has resources held on behalf of the principal(s) that are not recognised in municipality's financial statements, but are recognised in the principal financial statements

##### Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R1,298,390 (2023: R(1,360,653)).

##### Liabilities and corresponding rights of reimbursement recognised as assets

The municipality does not have liabilities incurred on behalf of the principal that have been recognised by the municipality.

The municipality does not have corresponding rights of reimbursement that have been recognised as assets.

#### Additional information

##### Receivables and/or payables recognised based on the rights and obligations established in the binding arrangement(s)

##### Municipality as principal

##### Resources (including assets and liabilities) of the municipality under the custodianship of the agent

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### 60. Accounting by principals and agents (continued)

The municipality has no resources held on behalf of the municipality by the agent that are recognised either in the municipality's financial statements or the agent's financial statements.

#### Fee paid

Fee paid as compensation to the agent	603,292	508,661
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#### Resource and/or cost implications for the municipality if the principal-agent arrangement is terminated

The termination of the agreement will not result in any costs for both the principal and the agent, however, the municipality will need to extend operating hours, increase number of staff, increase service points.

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### 61. Segment information

#### General information

#### Identification of segments

The municipality is organised and reports to council on the basis of five functional areas: Electricity, Waste Management, Community and Public Safety, Infrastructure Services and Development Planning. The segments were organised around the type of service delivered. Council uses these same segments for determining strategic objectives. All administrative services have been aggregated as unallocated services.

Information reported about these segments is used by council 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.

#### Aggregated segments

The municipality operates throughout the Mbizana area with certain functions providing an administrative and support role. Segments were aggregated on the basis of the services delivered as management considered that the characteristics of the segments were sufficiently similar to warrant aggregation. These have been aggregated to form the unallocated services.

#### Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

#### Reportable segment

Electricity  
Waste management  
Community and public safety

Infrastructure services

Development Planning

Unallocated services

#### Goods and/or services

Electricity distribution  
Refuse removal services  
Library services, police forces, cemeteries, environmental protection, recreational facilities, social services.  
Provision of infrastructure and maintenance and provision of community facilities  
Local economic development, supporting SMME's, property services and spatial planning  
Administrative and support services

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**61. Segment information (continued)**

**Segment surplus or deficit, assets and liabilities**

**2024**

	Electricity	Waste Management	Infrastructure Services	Community & Public Safety	Development Planning	Unallocated services	Total
<b>Revenue</b>							
Revenue from non-exchange transactions	-	3,042,000	71,522,089	3,727,875	29,468,124	343,643,857	451,403,945
Revenue from exchange transactions	63,813,036	4,109,168	348	1,640,820	7,783,308	39,298,012	116,644,692
Fair value adjustments	-	-	-	-	-	7,084,700	7,084,700
<b>Total segment revenue</b>	<b>63,813,036</b>	<b>7,151,168</b>	<b>71,522,437</b>	<b>5,368,695</b>	<b>37,251,432</b>	<b>390,026,569</b>	<b>575,133,337</b>
<b>Entity's revenue</b>							<b>575,133,337</b>
<b>Expenditure</b>							
Employee cost	5,293,797	19,981,837	15,335,705	28,723,615	12,068,947	58,197,511	139,601,412
Remuneration of councillors	-	-	-	-	-	26,454,463	26,454,463
Other expenses	6,126,037	5,678,719	11,090,215	5,853,735	5,387,860	44,832,139	78,968,705
Bulk Purchases	43,466,987	-	-	-	-	-	43,466,987
Depreciation	639,661	71,395	20,525,186	1,416,354	5,331,928	4,432,939	32,417,463
Interest & Penalties	40,555	-	-	-	-	9,607	50,162
Contracted services	24,888,364	3,334,206	13,668,863	15,177,739	5,704,895	20,036,675	82,810,742
Loss on disposal	554,858	-	8,577,118	174,600	84,537	(21,305)	9,369,808
<b>Total segment expenditure</b>	<b>81,010,259</b>	<b>29,066,157</b>	<b>69,197,087</b>	<b>51,346,043</b>	<b>28,578,167</b>	<b>153,942,029</b>	<b>413,139,742</b>
<b>Total segmental surplus/(deficit)</b>	<b>(17,197,223)</b>	<b>(21,914,989)</b>	<b>2,325,350</b>	<b>(45,977,348)</b>	<b>8,673,265</b>	<b>236,084,540</b>	<b>161,993,595</b>
<b>Assets</b>							
Current Assets	1,449,282	125,404,903	88,355,567	99,647,716	35,785,176	218,506,803	569,149,447
Non current Assets	3,436,507	14,367,358	304,341,898	19,529,256	183,549	601,280,992	943,139,560
<b>Total segment assets</b>	<b>4,885,789</b>	<b>139,772,261</b>	<b>392,697,465</b>	<b>119,176,972</b>	<b>35,968,725</b>	<b>819,787,795</b>	<b>1,512,289,007</b>
<b>Total assets as per Statement of financial Position</b>							<b>1,512,289,007</b>

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	Electricity	Waste Management	Infrastructure Services	Community & Public Safety	Development Planning	Unallocated services	Total
<b>61. Segment information (continued)</b>							
<b>Liabilities</b>							
Current Liabilities	(7,771,733)	(20,611,412)	(17,013,970)	(18,635,634)	(16,616,949)	(34,686,906)	(115,336,604)
Non-current Liabilities	-	(11,950,307)	-	-	-	-	(11,950,307)
<b>Total segment liabilities</b>	<b>(7,771,733)</b>	<b>(32,561,719)</b>	<b>(17,013,970)</b>	<b>(18,635,634)</b>	<b>(16,616,949)</b>	<b>(34,686,906)</b>	<b>(127,286,911)</b>
<b>Total liabilities as per Statement of financial Position</b>							<b>(127,286,911)</b>

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**61. Segment information (continued)**

**2023**

	Electricity	Waste Management	Infrastructure Services	Community & Public Safety	Development Planning	Unallocated Services	Total
<b>Revenue</b>							
Revenue from non-exchange transactions	18,500	3,687,000	78,416,573	4,915,938	22,721,046	339,836,317	449,595,374
Revenue from exchange transactions	55,301,764	16,157,031	-	1,409,098	74,194	32,218,682	105,160,769
Fair value adjustment	-	-	-	-	-	1,737,717	1,737,717
<b>Total segment revenue</b>	<b>55,320,264</b>	<b>19,844,031</b>	<b>78,416,573</b>	<b>6,325,036</b>	<b>22,795,240</b>	<b>373,792,716</b>	<b>556,493,860</b>
<b>Entity's revenue</b>							<b>556,493,860</b>
<b>Expenditure</b>							
Employee Costs	5,045,208	18,077,112	12,541,378	24,605,524	11,358,295	54,645,663	126,273,180
Remuneration of councillors	-	-	-	-	-	26,577,017	26,577,017
Other expense	6,405,626	5,107,620	1,460,143	6,985,057	4,657,866	44,461,252	69,077,564
Bulk purchases- Electricity	42,241,255	-	-	-	-	-	42,241,255
Depreciation and amortisation	637,916	35,419	29,555,073	1,604,940	4,398,004	5,270,948	41,502,300
Contracted Services	16,776,829	1,859,522	7,244,654	13,790,339	1,533,248	17,032,326	58,236,918
Loss on disposal	-	-	1,309,542	-	20,000	128,797	1,458,339
<b>Total segment expenditure</b>	<b>71,106,834</b>	<b>25,079,673</b>	<b>52,110,790</b>	<b>46,985,860</b>	<b>21,967,413</b>	<b>148,116,003</b>	<b>365,366,573</b>
<b>Total segmental surplus/(deficit)</b>	<b>(15,786,570)</b>	<b>(5,235,642)</b>	<b>26,305,783</b>	<b>(40,660,824)</b>	<b>827,827</b>	<b>225,676,713</b>	<b>191,127,287</b>
<b>Assets</b>							
Current assets	6,539,254	57,645,231	27,913,683	21,360,903	12,036,272	362,324,885	487,820,228
Non-current assets	1,601,574	8,894,248	238,363,284	18,351,565	4,631,865	594,439,036	866,281,572
<b>Total segment assets</b>	<b>8,140,828</b>	<b>66,539,479</b>	<b>266,276,967</b>	<b>39,712,468</b>	<b>16,668,137</b>	<b>956,763,921</b>	<b>1,354,101,800</b>
<b>Total assets as per Statement of financial Position</b>							<b>1,354,101,800</b>
<b>Liabilities</b>							
Current liabilities	(32,161,932)	(2,138,955)	(28,614,279)	(694,718)	(2,322,138)	(54,528,978)	(120,461,000)
Non-current liabilities	-	(10,632,303)	-	-	-	-	(10,632,303)
<b>Total segment liabilities</b>	<b>(32,161,932)</b>	<b>(12,771,258)</b>	<b>(28,614,279)</b>	<b>(694,718)</b>	<b>(2,322,138)</b>	<b>(54,528,978)</b>	<b>(131,093,303)</b>
<b>Total liabilities as per Statement of financial Position</b>							<b>(131,093,303)</b>



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### 61. Segment information (continued)

#### Measurement of segment surplus or deficit, assets and liabilities

#### Basis of accounting for transactions between reportable segments

The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

#### Information about geographical areas

The municipality does not have economic activities anywhere else other than the Mbizana area and there has not been any changes on the geographic area and economic activities during any of the reporting periods.

#### 2024

	External revenues from Exchange transactions	External revenues from non-exchange transactions	Total expenditure
Ward 1 to 10	(62,834,891)	(68,589,123)	33,548,178
Ward 11 to 20	(14,066,835)	-	14,930,403
Ward 21 to 32	-	(100,000)	23,046,118
Whole of municipality	(46,827,666)	(382,714,821)	332,245,229
<b>Total</b>	<b>(123,729,392)</b>	<b>(451,403,944)</b>	<b>403,769,928</b>

#### 2023

	External revenues from Exchange transactions	External revenues from non-exchange transactions	Total expenditure
Ward 1 to 10	(60,373,819)	(14,866,714)	6,941,162
Ward 11 to 20	-	(45,457,760)	2,746,342
Ward 21 to 32	(14,432,149)	-	12,744,530
Whole of municipality	(32,092,427)	(389,270,899)	342,934,204
<b>Total</b>	<b>(106,898,395)</b>	<b>(449,595,373)</b>	<b>365,366,238</b>

### 62. Change in estimate

#### Property, plant and equipment

The useful lives of certain Property, Plant and Equipment Assets were revised in the current year based on their verified conditions. The revision of their useful lives has resulted in an increase in PPE and decrease in depreciation expense of R1 226 408.49 for the current year and a corresponding decrease and increase for future periods respectively.

#### Intangible Assets

The useful lives of certain Intangible Assets were revised in the current year based on their verified conditions. The revision of their useful lives has resulted in an increase in Intangible Assets and decrease in amortisation expense of R17 474.50 for the current year and a corresponding decrease and increase for future periods respectively.

### 63. Prior period errors

#### Receivables from exchange transaction

During the year it was discovered that between 2014/15 and 2018/19 Financial year, 4 accounts were overbilled for electricity fines. The fines were supposed to be a once off charge but municipality continued with the billing for a range of 4 to 6 months per account. These accounts were overcharged by R460 840.00, (Acc no 471- R12500, Acc no 568- R41 040, Acc no 1394- R347 300, Acc no 31- R60 000). The impact of this error resulted in overstatement of trade and other receivables from exchange transactions. During the year the municipality processed a credit note to correct the error for the electricity that was incorrectly billed

Correction of this error resulted in a decrease in trade and other receivables from exchange transactions of R460 840.00.

# Winnie Madikizela-Mandela Local Municipality

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### 63. Prior period errors (continued)

During the year it was discovered that between 2014/15 and 2018/19 Financial year, 4 accounts were overbilled for electricity fines. The fines were supposed to be a once off charge but municipality continued with the billing for a range of 4 to 6 months per account. These accounts were overcharged interest due to the incorrect billing amounting to R45 532.7 for 2023 financial year and 124 266.32 for periods prior to 2023. The impact of this error resulted in overstatement of trade and other receivables from exchange transactions.

Correction of this error resulted in a decrease in receivables from exchange transactions by interest charge of R169 798.32.

#### Other receivables from exchange transactions

During the year, the municipality discovered during reconciliations between the third party and the municipality that a collection report for prepaid electricity sales for the period 1 March 2019 to 31 March 2019 had not been received from the third party (CONLOG). The agreement between the municipality and CONLOG outlines that a report needs to be submitted by the third party in order for the municipality to be able to issue an invoice for the collection for that particular period. A statement was then submitted to the municipality and confirmed as outstanding. Consequently an invoice was issued to the third party on the 29th of November 2023. This resulted in an understatement of Trade and other receivables from exchange transactions of R587 912.00 VAT inclusive.

The correction of this error resulted in an increase in trade and other receivables from exchange transactions of R587 912.00.

#### Statutory Receivables

During the year, the municipality discovered during reconciliations between the third party and the municipality that a collection report for prepaid electricity sales for the period 1 March 2019 to 31 March 2019 had not been received from the third party (CONLOG). The agreement between the municipality and CONLOG outlines that a report needs to be submitted by the third party in order for the municipality to be able to issue an invoice for the collection for that particular period. A statement was then submitted to the municipality and confirmed as outstanding. Consequently an invoice was issued to the third party on the 29th of November 2023. This resulted in an understatement of Output Vat of R76 686.15.

National Treasury, through the office of the Accountant General issued guidelines that brought about a change in the accounting for Integrated National Electrification grant. This change affected accounting treatment of the revenue derived from the grant where the municipality implemented projects in areas where Eskom is distributing.

The implementation of these guidelines required application of GRAP 3 to correct errors resulting from the implementation before the guidelines were issued. Revenue recognised was inclusive of VAT but the implementation of guidelines does not recognise the revenue as a grant but rather a exchange revenue in the form of construction revenue which is said to be exclusive of Output VAT and the VAT recognised separately. The municipality revised the revenue and corresponding Output VAT going five years back which is the period within which SARS may reopen their books for any VAT related matter. The correction of VAT for projects implemented before 2022/23 financial year amounted to R15 065 474,08 which was an understatement of Output VAT. The correction related to 2022/23 amounted to R1 967 861,49 which was also an understatement of Output VAT.

The correction of these errors resulted in a decrease on statutory receivables of R17 110 011.72

#### Prepayments

During the current financial year, it was discovered that an advance payment of R117 476 for electrification projects (Gciniswayo, Lucwaba, Swane and Mampingeni) was paid to Eskom and raised as a prepayment in 2018-19 financial year. It was discovered that this project was completed in March 2019. The prepayment raised was supposed to be transferred to losses once the project was completed and the municipality did not transfer. This error resulted to an overstatement of prepayments by R117 476.

The correction of the error resulted in a decrease in prepayments of R117 476.

#### Property, plant and equipment

During the year, the municipality discovered that two roads that were completed in the 2022-23 financial period namely Rehabilitation of Scambeni to Thembalesizwe ComTech SSS and Rehabilitation of Mbongwana to Dotye to Greenville Hospital, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised and as a result depreciation was not recognised. The error resulted in an overstatement of property, plant & equipment by the depreciation amount of R399 447.85.

Correction of the error resulted in a decrease in PPE of R399 447.85.

During the year, the municipality discovered that fencing of community halls project completed in the 2022-23 financial period for community halls namely Fencing of Dudumeni Community hall and Mzamba community hall, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised and as a result depreciation was not recognised. The error resulted in an overstatement of property, plant & equipment by the depreciation amount of R854.50.

Correction of the error resulted in a decrease in PPE of R854.50.

# Winnie Madikizela-Mandela Local Municipality

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### 63. Prior period errors (continued)

During the year, the municipality discovered that ERF 169 which was included in the municipal asset register consisting of Land and Building is a property of Department of Agriculture. The error resulted in an overstatement of Property, plant and equipment (PPE) of R239 250.12

Correction of the error resulted in a decrease in PPE of R239 250.12

During the year, the municipality discovered movable asset additions (Furniture and office Equipment, Transport Assets, Machinery and Equipment) that were not depreciated in 2022/23 period, which resulted in overstatement of Property, Plant and Equipment by R332 470.16 (R114 726.17, R 201 312.93 and R16 431.06 respectively).

During the year, municipality identified that there was a R30 777.54 for Sigingqi Access Road that was not included in capitalisation cost in the previous financial year. The error resulted in an understatement of property, plant and equipment R30 777.54. The net movement is zero on PPE.

Correction of the error resulted in a decrease in PPE of R332 470.16.

### Work in progress

During the year, the municipality discovered that fencing of community halls project completed in the 2022-23 financial period for community halls namely Fencing of Dudumeni Community hall and Mzamba community hall, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised. The error resulted in an overstatement of WIP additions by R693 095.65 and an understatement of community assets additions by R693 095.65. The net movement on PPE is zero.

During the year, the municipality discovered that two roads that were completed in the 2022-23 financial period namely Rehabilitation of Scambeni to Thembalesizwe ComTech SSS and Rehabilitation of Mbongwana to Dotye to Greenville Hospital, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised. The WIP transfers were overstated by R5 481 260.97 (Scambeni) and R3 804 759.47 (Mbongwana) totalling to R9 286 020.44 which was an opening balance for these projects. The current year expenditure for these projects overstated WIP additions and understated infrastructure additions by R5 953 469.45. The net movement on PPE is zero.

During the year, the municipality identified that an amount of R1 837 144 was re-allocated from capital to operational in the prior year. On Note 4 the amount was erroneously included as a transfer between work - in - progress (WIP) and capitalised community assets. The error understated the value of completed assets transferred from WIP to capitalised assets and overstated the additions for the year.

The correction of this error resulted in an increase in transfers and a corresponding decrease in additions within community assets. The net movement on community assets is zero.

During the year, municipality identified that there was a R30 777.54 for Sigingqi Access Road that was not included in capitalisation cost of an asset. The error resulted in an overstatement of Work in Progress of R30 777.54. The net movement is zero on PPE.

The net effect of these corrections is a decrease in property, plant & equipment of R972 020.

### Payables from exchange transactions

During the year the municipality received a statement from a service provider reflecting an unpaid invoice from 2019/2020 financial year. The invoice was for the installation of solar panels in the indigent areas of Winnie Madikizela-Mandela LM. The invoice was then paid in the current financial year. The impact of this error resulted in trade and other payables being understated by R299 230.00

The correction of this error resulted in an increase in trade and other payables of R299 230.00.

During 2022-23 financial year, the municipality received a correspondence dated 3 October 2022 from Workers' Party informing the council that a councillor had been expelled from the party as a proportional representative in the council. Based on this correspondence, the municipality then terminated the salary, allowances and benefits of a councillor with effect from 06 October 2022. The office of the Speaker after receiving a report and on legal consultation on the matter of re-instatement of Councillor representing WP as PR Councillor who was reported to be expelled from his political party in October 2022 and the municipality declared a vacancy to IEC for his replacement. During the current financial year, a correspondence between the municipality and IEC on the matter nullified the previous termination of Councillor as it was found that he had been expelled by his political party without due process in October 2022. It therefore follows that his salary, allowance and benefits were unduly terminated and necessitated the back payment of amounts owed from 06 October 2022 to 05 December 2023. The impact of the error resulted in an understatement of payables from exchange transactions by R256 438.08.

The correction of this error resulted in an increase in payables from exchange transactions of R256 438.08.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

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### 63. Prior period errors (continued)

During the year, the municipality was party to an arbitration application with case number ECEL4270-23 brought by a workers union on behalf of three employees. The application alleged that the aforementioned employees had been underpaid from January 2019 to December 2023. These employees had been employed on contract basis at agreed upon rates at the time of employment (5 December 2016) and continued to be remunerated based on those rates. During March 2024, arbitration proceedings confirmed that the employees were entitled to a statutory payment in terms of S73A of Basic Conditions of Employment Act (BCEA) as they had been underpaid for the financial periods 2019-2020 to 2022-23. Manager: Legal services advised the municipality to abide by the arbitration and pay these employees the awarded amount. The recommendation was approved by the municipal manager. The impact of this error resulted in an understatement of payables from exchange transactions by R607 666.76.

The correction of this error resulted in an increase in payables from exchange transactions of R607 666.76

During the year gazette number 50737 was issued for senior manager upper limits. As per the gazette with regards to the upper limits of salaries of senior managers, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, the department of Cooperative Governance and Traditional Affairs (COGTA) published Gazette number 50737 in which it provides the strategic framework for remuneration of senior managers across all municipalities. The council then resolved to implement salary increments for the Municipal Manager and managers directly accountable to him as per gazette number 50737 for 2023-24 financial year and gazette number 48789 for the 2022-23 financial year. The council also resolved on the payment of a non-pensionable cash gratuity for both financial years. This resulted in an understatement of payables from exchange transactions of R492 030.00.

The correction of this error will result in an increase in payables from exchange transactions of R492 030.00.

During the year, an investigation was performed on migration process to mSCOA for 2017-18 financial year. Trade payables and accruals reported a take-on or a migration difference of R154 954.93. The outcome of the investigation indicated that these balances were transactions misallocated under electricity bulk purchase item. These transactions were part of the accounts payables balances. This led to an overstatement of accounts payables by R154 954.

The correction of this error resulted in a decrease in payables from exchange transactions of R154 954.

During the year, the municipality was party to an arbitration application with case number ECEL4270-23 brought by workers union. The application award resulted to the municipality paying the affected employees. A further investigation was then conducted by the municipality which revealed that an additional three employees were also underpaid during 2016 to 2023 an amount of R545 466.90. The error resulted in an understatement of payables from exchange transactions of R545 466.90.

Correction of this error resulted in an increase in payables from exchange transactions of R545 461.90

The net effect of these corrections resulted in an increase in payables from exchange transactions of R2 045 872.

#### Current Liabilities- Provision

During the year, the municipality revisited the rate used to calculate the Dumpingsite/Landfill provision in 2022/23. After thorough assessment and certain factors taken into account, the rate was therefore revised from 6% inflation used to 9.22% discount rate. The error resulted in an overstatement of Current Provision by R63 252.32

Correction of this error resulted in a decrease in provions of R63 252.32

#### Non current Liabilities- Provision

During the year, the municipality revisited the rate used to calculate the Dumpingsite/Landfill provision in 2022/23. After thorough assessment and certain factors taken into account, the rate was therefore revised from 6% inflation used to 9.22% discount rate. The error resulted in an overstatement of Non Current Provision by R852 495.92

#### Provision reduction

During the year, the municipality revisited the rate used to calculate the Dumpingsite/Landfill provision in 2022/23. After thorough assessment and certain factors taken into account, the rate was therefore revised from 6% inflation used to 9.22%. The error resulted in an understatement of Provision reduction by R915 748.24

Correction of this error resulted in an increase in provision reduction by R915 748.24

#### Employee benefits obligation

# Winnie Madikizela-Mandela Local Municipality

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### 63. Prior period errors (continued)

During the year gazette number 50737 was issued for senior manager upper limits. As per the gazette with regards to the upper limits of salaries of senior managers, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, the department of Cooperative Governance and Traditional Affairs (COGTA) published Gazette number 50737 in which it provides the strategic framework for remuneration of senior managers across all municipalities. The council then resolved to implement salary increments for the Municipal Manager and managers directly accountable to him as per gazette number 50737 for 2023-24 financial year and gazette number 48789 for the 2022-23 financial year. This resulted in an understatement of provisions for performance bonus and leave provision of R35 599.58.

#### Interest received from receivables

During the year it was discovered that between 2014/15 and 2018/19 Financial year, 4 accounts were overbilled for electricity fines. The fines were supposed to be a once off charge but municipality continued with the billing for a range of 4 to 6 months per account. These accounts were overcharged interest due to the incorrect billing amounting to R45 532.7. The impact of this error resulted in overstatement of trade and other receivables from exchange transactions.

Correction of this error resulted in a decrease in receivables from exchange transactions by interest charge of R45 532.7.

#### Depreciation and amortisation

During the year, the municipality discovered that two roads that were completed in the 2022-23 financial period namely Rehabilitation of Scambeni to Thembalesizwe ComTech SSS and Rehabilitation of Mbongwana to Dotye to Greenville Hospital, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised. The error resulted in an understatement of depreciation expense of R399 447.85.

Correction of the error resulted in an increase in depreciation of R399 447.85.

During the year, the municipality discovered that fencing of community halls project completed in the 2022-23 financial period for community halls namely Fencing of Dudumeni Community hall and Mzamba community hall, which were erroneously included in the closing balance of Work in Progress (WIP) instead of being capitalised. The error resulted in an understatement of depreciation expense of R854.50.

Correction of the error resulted in an increase in depreciation of R854,50.

During the year, the municipality discovered that ERF 169 which was included in the municipal asset register consisting of Land and Building is a property of Department of Agriculture. The error resulted in an overstatement of depreciation of R29 892.88

Correction of the error resulted in an decrease in depreciation of R29 892.88

During the year, the municipality discovered movable asset additions (Furniture and office Equipment, Transport Assets, Machinery and Equipment) that were not depreciated in 2022/23 period, which resulted in understatement of depreciation by R 332 470.16 (R 114 726.17, R 201 312.93 and R 16 431.06 respectively).

Correction of the error resulted in an increase in depreciation of R332 470.16.

The net effect of these corrections is an increase in depreciation and amortisation of R370 409.47.

#### Government grants and subsidies

National Treasury, through the office of the Accountant General issued guidelines that brought about a change in the accounting for Integrated National Electrification grant. This change affected accounting treatment of the revenue derived from the grant where the municipality implemented projects in areas where Eskom is distributing.

The implementation of these guidelines required application of GRAP 3 to correct errors resulting from the implementation before the guidelines were issued. Revenue recognised was previously disclosed as Government Grants and Subsidies but the implementation of guidelines does not recognise the revenue as a grant but rather a exchange revenue in the form of construction revenue which is said to be exclusive of Output VAT and the VAT recognised separately. The municipality revised the revenue and corresponding Output VAT going five years back which is the period within which SARS may reopen their books for any VAT related matter. The correction of revenue and VAT for projects implemented during the 2022/23 financial year resulted in a reclassification of R16 400 000 to Construction contracts and VAT Output.

The correction of these errors resulted in a decrease on Government Grants and Subsidies of R16 400 000.

#### Construction contract revenue

# Winnie Madikizela-Mandela Local Municipality

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### 63. Prior period errors (continued)

National Treasury, through the office of the Accountant General issued guidelines that brought about a change in the accounting for Integrated National Electrification grant. This change affected accounting treatment of the revenue derived from the grant where the municipality implemented projects in areas where Eskom is distributing.

The implementation of these guidelines required application of GRAP 3 to correct errors resulting from the implementation before the guidelines were issued. Revenue recognised was inclusive of VAT but the implementation of guidelines does not recognise the revenue as a grant but rather a exchange revenue in the form of construction revenue which is said to be exclusive of Output VAT and the VAT recognised separately. The municipality revised the revenue and corresponding Output VAT going five years back which is the period within which SARS may reopen their books for any VAT related matter. The correction of revenue for projects implemented in 2022/23 financial year amounted to R14 432 149 which was an understatement on Construction revenue.

The correction of these errors resulted in an increase on Construction Contracts revenue of R14 432 149

#### Employee related cost

During the year gazette number 50737 was issued for senior manager upper limits. As per the gazette with regards to the upper limits of salaries of senior managers, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, the department of Cooperative Governance and Traditional Affairs (COGTA) published Gazette number 50737 in which it provides the strategic framework for remuneration of senior managers across all municipalities. The council then resolved to implement salary increments for the Municipal Manager and managers directly accountable to him as per gazette number 50737 for 2023-24 financial year and gazette number 48789 for the 2022-23 financial year. The council also resolved on the payment of a non-pensionable cash gratuity for both financial years. This resulted in an understatement of employee related costs of R492 030.00.

The effect of this correction will result in an increase in employee related costs of R492 030.00.

During the year gazette number 50737 was issued for senior manager upper limits. As per the gazette with regards to the upper limits of salaries of senior managers, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, the department of Cooperative Governance and Traditional Affairs (COGTA) published Gazette number 50737 in which it provides the strategic framework for remuneration of senior managers across all municipalities. The council then resolved to implement salary increments for the Municipal Manager and managers directly accountable to him as per gazette number 50737 for 2023-24 financial year and gazette number 48789 for the 2022-23 financial year. This resulted in an understatement of employee related cost of R35 601.

The effect of this correction will result in an increase in employee related costs of R35 601.

During the year, the municipality was party to an arbitration application with case number ECEL4270-23 brought by workers union. The application award resulted to the municipality paying the affected employees. A further investigation was then conducted by the municipality which revealed that an additional three employees were also underpaid during 2023 financial year. The error resulted in an understatement of employee related costs of R131 225.71.

The effect of this correction will result in an increase in employee related costs of R131 225.71

The net effect of these corrections will result in an increase in employee related costs of R658 856.71.

#### Remuneration of councillors

During the year, a communication dated 05 December 2023 was received from Office of the Speaker equesting a re-instatement of a Councillor with immediate effect in December 2023. Councillor was found to have been unduly expelled by his political party in October 2022 following a revelation from the IEC that the process followed was flawed. The communication further requested a back payment of salary, allowance and benefits from the termination date 06 October 2022 to December 2023. The request was approved by the municipal manager. The impact of this error resulted in an understatement of remuneration of councillors by R256 438.08.

The correction of this error resulted in an increase in remuneration of councillors of R256 438.08.

#### Loss on disposal of assets

Before the implementation of the Treasury guidelines on the accounting treatment for INEP, the municipality recognised the expenditure on capital projects related to electrification as Work in progress in its books which was then recorded as a loss on disposal once projects were completed and handed over to Eskom. In the 2022/23 financial year, the loss on disposal related to electrification projects transferred to Eskom amounted to R37 522 877 which was then corrected in line with the INEP accounting guidelines.

The correction of this error resulted in a decrease in losses on disposal of R37 522 877.

#### Accumulated Surplus



# Winnie Madikizela-Mandela Local Municipality

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### 63. Prior period errors (continued)

A decrease in trade and other receivables from exchange transactions resulted in a decrease in Accumulated surplus of R630 639

An increase in payables from exchange transactions resulted in a decrease in Accumulated Surplus of R2 045 872.

A decrease in prepayments resulted to a decrease in Accumulated surplus of R117 476.

An increase in trade and other receivables resulted in an increase in Accumulated surplus of R587 912.00.

An decrease in statutory receivables resulted in a decrease in Accumulated surplus of R17 110 011.72.

A decrease in losses on disposal of assets resulted in an increase in Accumulated surplus of R38 452 361.

A decrease in PPE resulted in a decrease in accumulated surplus of R15 433 491

An increase in Provisions resulted in a decrease in Accumulated Surplus of R880 151

The net effect of these corrections resulted in a decrease in Accumulated surplus of R33 829 427.

### 64. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

#### Statement of financial position

##### 2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Receivables from exchange transactions		22,749,772	(630,639)	-	22,119,133
Other receivables from exchange transaction		1,184,466	587,912	-	1,772,378
Prepayments		4,720,631	(117,476)	-	4,603,155
Property, plant & equipment		837,613,343	(1,001,176)	(14,432,314)	822,179,853
Payables from Exchange transactions		(52,743,548)	(2,045,872)	-	(54,789,420)
Statutory receivables		60,288,802	(17,110,012)	-	43,178,790
Current liabilities-Provisions		(19,918,118)	27,654	17,808,245	(2,082,219)
Non current liabilities- Provision		(11,484,800)	852,497	-	(10,632,303)
Employee Benefits obligation		-	-	(17,808,245)	(17,808,245)
Accumulated surplus		(1,256,877,926)	33,869,427	-	(1,223,008,499)
		<b>(414,467,378)</b>	<b>14,432,315</b>	<b>(14,432,314)</b>	<b>(414,467,377)</b>

#### Statement of financial performance

##### 2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Construction contract		-	14,432,149	-	14,432,149
Interest received from receivables		-	-	2,443,815	2,443,815
Government grants \$ subsidies		437,000,999	(16,400,000)	-	420,600,999
Interest received from non- exchange transaction		-	-	3,961,083	3,961,083
Interest received from current and non-current assets		28,370,870	(9,532)	(6,440,898)	21,920,440
Provision reduction		10,762,956	915,748	-	11,678,704
Employee related costs		(125,614,323)	(658,857)	-	(126,273,180)
Depreciation		(40,770,267)	(702,876)	-	(41,473,143)
Remuneration of councillors		(26,320,579)	(256,438)	-	(26,577,017)
Contracted services		(43,804,603)	-	(14,432,314)	(58,236,917)
Impairments of Property, plant and equipment		(991,512)	(929,484)	-	(1,920,996)
Loss on disposal of assets		(39,910,700)	38,452,361	-	(1,458,339)
<b>Deficit for the year</b>		<b>198,722,841</b>	<b>34,843,071</b>	<b>(14,468,314)</b>	<b>219,097,598</b>

#### Cash flow statement

## Winnie Madikizela-Mandela Local Municipality

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#### 64. Prior-year adjustments (continued)

##### 2023

	Note	As previously reported	Correction of error	Restated
Cash flow from operating activities				
Sale of goods and services		78,006,301	16,395,476	94,401,777
Grants		437,754,390	(16,400,000)	421,354,390
Interest Income		28,370,870	(45,532)	28,325,338
Employee costs		(151,934,902)	436,394	(151,498,508)
Suppliers		(160,067,659)	(14,818,308)	(174,885,967)
		<b>232,129,000</b>	<b>(14,431,970)</b>	<b>217,697,030</b>
Cash flow from investing activities				
Purchase of property, plant & equipment		(148,622,423)	14,431,970	(134,190,453)
Purchase of Intangible assets		(600,000)	-	(600,000)
		<b>(149,222,423)</b>	<b>14,431,970</b>	<b>(134,790,453)</b>

#### Change in accounting policy

The following change in accounting policies occurred:

##### Property, plant and equipment

During 2023/24 financial year, Winnie Madikizela-Mandela Local Municipality Introduced Asset Capitalization threshold of R 2000 (Vat incl), This has resulted in the disposal of 3219 assets which were below the threshold in Furniture and Fixtures. The impact of the change in policy resulted in increase in gains and losses of R 29 024.79 and decrease in PPE of R29 024.79.



# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

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### 64. Prior-year adjustments (continued)

#### Reclassifications

The following reclassifications adjustment occurred:

#### Reclassification 1

##### Employee Benefits Obligation

Previously the municipality was implementing GRAP 19 in accounting for bonus, leave and long service award provisions. GRAP 19 paragraph 13 outlines that where another standard of GRAP deals with a specific type of provision, contingent liability or contingent asset, an entity applies that Standard instead of GRAP 19. During the year, the municipality reclassified bonus, leave and long service award provisions due to introduction of GRAP 25. The re-classification resulted in an increase in employee benefits of R17 808 245.

##### Provisions

Previously the municipality was implementing GRAP 19 in accounting for bonus, leave and long service award provisions. GRAP 19 paragraph 13 outlines that where another standard of GRAP deals with a specific type of provision, contingent liability or contingent asset, an entity applies that Standard instead of GRAP 19. During the year, the municipality reclassified bonus, leave and long service award provisions due to introduction of GRAP 25. The re-classification resulted in an increase in provisions of R17 808 245.

#### Reclassification 2

##### Property, plant and equipment

National Treasury, through the office of the Accountant General issued guidelines that brought about a change in the accounting for Integrated National Electrification grant. This change affected accounting treatment of the revenue derived from the grant where the municipality implemented projects in areas where Eskom is distributing.

The implementation of these guidelines required application of GRAP 3 to correct errors resulting from the implementation before the guidelines were issued. INEP projects implemented in 2022-2023 financial year and accounted for as INEP funded capital assets were re-allocated from Property, plant and equipment Work - in - progress to contracted services. These projects are Electrification of Lower Ethridge, Electrification of Nomlacu, Electrification of Msarhweni village and Electrification of Zizityaneni. The reclassification resulted in a decrease in WIP additions of R14 432 314.

#### Contracted Services

Treasury, through the office of the Accountant General issued guidelines that brought about a change in the accounting for Integrated National Electrification grant. This change affected accounting treatment of the revenue derived from the grant where the municipality implemented projects in areas where Eskom is distributing.

The implementation of these guidelines required application of GRAP 3 to correct errors resulting from the implementation before the guidelines were issued. INEP projects implemented in 2022-2023 financial year and accounted for as INEP funded capital assets were re-allocated from Property, plant and equipment to contracted services. These projects are Electrification of Lower Ethridge phase 2, Electrification of Nomlacu phase 2, Electrification of Msarhweni village phase 2 and Electrification of Zizityaneni. The reclassification resulted in an increase in contracted services of R14 432 314.

#### Reclassification 3

##### Interest received from receivables

During the year, the municipality identified that there was a significant growth in debtors which resulted in interest charged becoming material in amount. This therefore necessitates a split between interest from exchange and non-exchange transactions in order to achieve fair presentation as required by GRAP 1 and implementation of updates introduced by mSCOA version 6.7 from version 6.6. The reclassification resulted in an increase in interest received from receivables of R2 443 815.

##### Interest received from non-exchange transactions

During the year, the municipality identified that there was a significant growth in debtors which resulted in interest charged becoming material in amount. This therefore necessitates a split between interest from exchange and non-exchange transactions in order to achieve fair presentation as required by GRAP 1 and implementation of updates introduced by mSCOA version 6.7 from version 6.6. The reclassification resulted in an increase in interest received from non-exchange transactions of R3 961 083.

##### Interest received from current and non-current assets

# Winnie Madikizela-Mandela Local Municipality

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### 64. Prior-year adjustments (continued)

During the year, the municipality identified that there was a significant growth in debtors which resulted in interest charged becoming material in amount. This therefore necessitates a split between interest from exchange and non-exchange transactions in order to achieve fair presentation as required by GRAP 1 and implementation of updates introduced by mSCOA version 6.7 from version 6.6. The reclassification resulted in a decrease in interest received from current and non-current assets of R6 404 898.

### 65. Budget differences

#### Material differences between budget and actual amounts

The municipality gives an explanation on material variances that are more than 5% as per the MFMA Circular 71.

#### Sale of Goods

The actual revenue being more than the budget is due to an increase in property rezonning during the year.

#### Service Charges

The actual revenue being more than the budget is due to an increase in electricity consumption, the municipality has installed and implemented an automated meter reading system to assist in reducing losses and detect areas where there might be tempering with the municipal infrastructure.

#### Rental of Facilities and Equipment

The actual revenue being more than the budget is due to smoothing of leased asset that was raised at year end.

#### Agency services

The actual revenue being less than the budget is due to decline in numbers of customers utilising the DLTC services .

#### Recoveries

These are insurance recoveries which the municipality does not budget for. These recoveries were as a result of municipal assets that were written off /stolen during the year and raising of new staff debts.

#### Other Income

The actual revenue being more than the budget is due to an increase in actual meter replacements.

#### Interest on Investments

The actual revenue being more than the budget is due to higher interest rates offered by the municipality's banker during the recently completed competitive bidding process.

#### Licence and Permits

The actual revenue being less than the budget is due to decline in numbers of customers utilising the DLTC services

#### Fines, Penalties and Forfeits

The actual revenue being more than the budget is due to an increase on people contravening traffic and municipal bi-laws. These fines also include fines for electricity tempering.

#### Remuneration of councillors

The actual expenditure is less than the budget due to the goveremnt gazzete of upper limits that is not yet been issued. The municipality budgeted for the councillor upper limits.

#### Finance Cost

During the financial year the municipality improved its internal controls on managing finance cost.

#### Debt Impairment

The actual expenditure being less than the budget is due the implementation of credit control policy.

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
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### 65. Budget differences (continued)

#### Bulk purchases

The actual expenditure is less than the budget due to NERSA approved tariffs being less compared to circulars used for budget purposes.

#### Contracted services

The actuals expenditure being less than the budget is savings due to implementation of cost containment measures. This is as a result of slow spending during the first months of each financial year which is always experienced and the municipality finds it difficult to recover from.

#### Transfers and subsidies

The actual expenditure being less than budget is savings to the municipality is due to late procurement.

#### Loss on disposal of assets

The variance on loss on disposal is as the result of electrification projects (INEP) that were budgeted for and transferred to losses upon disposal and roads projects that would be disposed off as they were badly damaged by the floods. The accounting treatment for electrification projects (INEP) have been revised to align to the national treasury guidelines on accounting for INEP projects, which resulted to these projects being expensed as contracted services instead of being an asset.

#### General expense

The actuals expenditure being less than the budget is savings due to implementation of cost containment measures. This might also be as a result of the slow spending during the first months of each financial year which is always experienced.

#### Fair value adjustment

The increase in investment property is due to fair value adjustments performed by the independent valuer at year end.

#### Statement of Financial Position

##### Inventories

The actual expenditure being less than the budget is savings. The inventory that was issued out but available at year end, an adjustment was done accordingly during stock count.

##### Other receivables from exchange transactions

The actual performance increase compared to the budget is as the result of related budget being included as part of receivables from exchange transactions.

##### Receivables from exchange transactions

The actual outcome being less than the budget is due to the factors that were taken into consideration during the budget preparation process which included historical debt as basis. The municipality's majority of debtors are more than 150 days old and the biggest category is government followed by households.

##### Receivables from non exchange

The statutory receivables and receivables from non exchange transactions are reported as part of receivables from non exchange transactions on budget formats. The budget was based on audited figures from prior year. The municipality's leading source of income is property rates followed by interest on arrears which is an indication that we have more debtors that have stayed outstanding for longer period.

##### Cash and Cash equivalent

The actual cash on hand as at 30 June 2024 was due to savings realised on increase on interest received, electricity sales more than budget. Furthermore, the reduced spending on general expenditure, contracted services.

##### Property, plant & equipment

The increase in property, plant and equipment is due to infrastructure projects that were maintenance roads during the year and capitalised at year end.

##### Investment Property

# Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

## Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
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### 65. Budget differences (continued)

The increase in investment property is as a result of fair value adjustment performed by an independent valuer at year end..

Unspent conditional grants and receipts

The municipality does not budget for unspent grants as these are meant to be fully spent by the end of the year. The difference is the Library grant, GBS Grant and disaster response that were not fully spent during the year.

Payables from exchange transactions

The budget being more than the actual payables is due to retention and accruals relating to Disaster response grant that was received late in the financial year and therefore not budgeted for.

Provisions

The budget being more than the actual provisions is due to reclassification from provisions to employee obligations.

Employee Obligations

The budget less than the actual obligations is due to budget figures being allocated in provisions.

Cash Flow statement

Rate payers and others

The difference is caused by an increase on property rates billing that has not been settled for the year on certain government and household accounts.

Interest income

The actual revenue being more than the budget is due to higher interest rates offered by the municipality's banker during the recently completed competitive bidding process.

Suppliers

The difference is due to savings on expenses.

Interest and Penalties

During the financial year the municipality improved its internal controls on managing finance cost.

### 66. Events after the reporting date

The municipality commenced construction of a multi year project in 2017/18 financial period. The project completion took longer than anticipated. During July 2024 it was certified to be completed and officially opened.

- No - adjusting entry.

**Winnie Madikizela-Mandela Local Municipality**  
Audited Annual Financial Statements for the year ended June 30, 2024

**Appropriation Statement**

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
<b>2024</b>											
<b>Financial Performance</b>											
Property rates	21,249,948	-	21,249,948	-	-	21,249,948	21,713,167	-	463,219	102 %	102 %
Service charges	37,904,200	11,206,933	49,111,133	-	-	49,111,133	53,841,401	-	4,730,268	110 %	142 %
Investment revenue	15,890,233	15,999,999	31,890,232	-	-	31,890,232	34,468,001	-	2,577,769	108 %	217 %
Transfers recognised - operational	349,897,300	7,163,133	357,060,433	-	-	357,060,433	352,620,578	-	(4,439,855)	99 %	101 %
Other own revenue	15,152,589	4,103,544	19,256,133	-	-	19,256,133	44,008,399	-	24,752,266	229 %	290 %
<b>Total revenue (excluding capital transfers and contributions)</b>	<b>440,094,270</b>	<b>38,473,609</b>	<b>478,567,879</b>	-	-	<b>478,567,879</b>	<b>506,651,546</b>	-	<b>28,083,667</b>	<b>106 %</b>	<b>115 %</b>
Employee costs	(139,934,028)	51,124	(139,882,904)	-	-	(139,882,904)	(139,601,412)	-	281,492	100 %	100 %
Remuneration of councillors	(28,480,421)	-	(28,480,421)	-	-	(28,480,421)	(26,454,463)	-	2,025,958	93 %	93 %
Depreciation and asset impairment	(54,370,824)	(10,165,000)	(64,535,824)	-	-	(64,535,824)	(41,077,869)	-	23,457,955	64 %	76 %
Finance charges	(99,984)	-	(99,984)	-	-	(99,984)	(50,162)	-	49,822	50 %	50 %
Inventory consumed	(7,485,164)	(98,764)	(7,583,928)	-	-	(7,583,928)	-	-	7,583,928	- %	- %
Transfers and grants	(3,430,745)	150,017	(3,280,728)	-	-	(3,280,728)	(2,805,345)	-	475,383	86 %	82 %
Other expenditure	(213,896,088)	(69,093,390)	(282,989,478)	-	-	(282,989,478)	(203,150,492)	-	79,838,986	72 %	95 %
<b>Total expenditure</b>	<b>(447,697,254)</b>	<b>(79,156,013)</b>	<b>(526,853,267)</b>	-	-	<b>(526,853,267)</b>	<b>(413,139,743)</b>	-	<b>113,713,524</b>	<b>78 %</b>	<b>92 %</b>
<b>Surplus/(Deficit)</b>	<b>(7,602,984)</b>	<b>(40,682,404)</b>	<b>(48,285,388)</b>	-	-	<b>(48,285,388)</b>	<b>93,511,803</b>	-	<b>141,797,191</b>	<b>(194)%</b>	<b>(1,230)%</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,295,084	17,744,442	94,039,526	-	-	94,039,526	68,481,789	-	(25,557,737)	73 %	90 %
<b>Surplus (Deficit) after capital transfers and contributions</b>	<b>68,692,100</b>	<b>(22,937,962)</b>	<b>45,754,138</b>	-	-	<b>45,754,138</b>	<b>161,993,592</b>	-	<b>116,239,454</b>	<b>354 %</b>	<b>236 %</b>
<b>Surplus/(Deficit) for the year</b>	<b>68,692,100</b>	<b>(22,937,962)</b>	<b>45,754,138</b>	-	-	<b>45,754,138</b>	<b>161,993,592</b>	-	<b>116,239,454</b>	<b>354 %</b>	<b>236 %</b>

## Winnie Madikizela-Mandela Local Municipality

Audited Annual Financial Statements for the year ended June 30, 2024

### Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
<b>Capital expenditure and funds sources</b>											
Total capital expenditure	123,282,263	31,773,600	155,055,863	-		155,055,863	12,812,900		(142,242,963)	8 %	10 %
<b>Sources of capital funds</b>											
Transfers recognised - capital	66,343,416	1,517,009	67,860,425	-		67,860,425	54,628,668		(13,231,757)	81 %	82 %
Internally generated funds	56,938,847	30,256,591	87,195,438	-		87,195,438	66,184,232		(21,011,206)	76 %	116 %
<b>Total sources of capital funds</b>	<b>123,282,263</b>	<b>31,773,600</b>	<b>155,055,863</b>	<b>-</b>		<b>155,055,863</b>	<b>120,812,900</b>		<b>(34,242,963)</b>	<b>78 %</b>	<b>98 %</b>
<b>Financial position</b>											
Total current assets	413,369,830	65,783,309	479,153,139	-		479,153,139	569,149,447		89,996,308	119 %	138 %
Total non current assets	875,374,304	74,428,507	949,802,811	-		949,802,811	943,139,560		(6,663,251)	99 %	108 %
Total current liabilities	(99,778,869)	(15,260,416)	(115,039,285)	-		(115,039,285)	(115,336,604)		(297,319)	100 %	116 %
Total non current liabilities	(22,483,946)	10,999,146	(11,484,800)	-		(11,484,800)	(11,950,306)		(465,506)	104 %	53 %
Community wealth/Equity	1,166,481,319	135,950,546	1,302,431,865	-		1,302,431,865	1,385,002,097		82,570,232	106 %	119 %
<b>Cash flows</b>											
Net cash from (used) operating	170,827,676	(612,305)	170,215,371	-		170,215,371	221,585,791		51,370,420	130 %	130 %
Net cash from (used) investing	(141,376,228)	(27,136,043)	(168,512,271)	-		(168,512,271)	(120,812,909)		47,699,362	72 %	85 %
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>29,451,448</b>	<b>(27,748,348)</b>	<b>1,703,100</b>	<b>-</b>		<b>1,703,100</b>	<b>100,772,882</b>		<b>99,069,782</b>	<b>5,917 %</b>	<b>342 %</b>
Cash and cash equivalents at the beginning of the year	277,108,822	82,906,578	360,015,400	-		360,015,400	360,015,400		-	100 %	130 %
<b>Cash and cash equivalents at year end</b>	<b>306,560,270</b>	<b>55,158,230</b>	<b>361,718,500</b>	<b>-</b>		<b>361,718,500</b>	<b>460,788,282</b>		<b>(99,069,782)</b>	<b>127 %</b>	<b>150 %</b>

**Winnie Madikizela-Mandela Local Municipality**  
**Winnie Madikizela-Mandela Local Municipality**  
**Appendix B**  
June 2024

**Analysis of property, plant and equipment as at June 30, 2024**  
**Cost/Revaluation** **Accumulated depreciation**

	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Land and buildings</b>														
Land (Separate for AFS purposes)	3,098,628	-	-	-	-	-	3,098,628	-	-	-	-	-	-	3,098,628
Buildings (Separate for AFS purposes)	28,564,475	462,740	-	-	-	-	29,027,215	(5,575,765)	-	-	(675,073)	-	(6,250,838)	22,776,377
	<b>31,663,103</b>	<b>462,740</b>	-	-	-	-	<b>32,125,843</b>	<b>(5,575,765)</b>	-	-	<b>(675,073)</b>	-	<b>(6,250,838)</b>	<b>25,875,005</b>
<b>Infrastructure</b>														
Roads, Pavements & bridges	715,543,457	81,036,753	(23,508,036)	-	-	43,035,063	816,107,238	(287,058,551)	14,930,916	-	(21,240,501)	(591,934)	(293,360,070)	522,147,168
Transmission & Retreatment	23,041,239	3,029,456	(854,830)	-	-	-	25,215,865	(4,469,580)	298,972	-	(627,800)	-	(4,797,408)	20,418,457
Sewerage purification	554,374	-	-	-	-	-	554,374	(21,156)	-	-	(11,087)	-	(32,243)	522,131
Waste Management	3,242,860	-	-	-	-	-	3,242,860	(1,463,715)	-	-	(8,195)	(1,732,429)	(3,204,339)	38,521
	<b>742,381,930</b>	<b>84,066,209</b>	<b>(24,362,866)</b>	-	-	<b>43,035,063</b>	<b>845,120,337</b>	<b>(293,013,002)</b>	<b>15,230,888</b>	-	<b>(21,887,583)</b>	<b>(2,324,363)</b>	<b>(301,994,060)</b>	<b>543,126,277</b>
<b>Community Assets</b>														
Parks & gardens	4,805,960	-	-	-	-	-	4,805,960	(1,553,742)	-	-	(110,934)	-	(1,664,676)	3,141,284
Sportsfields and stadium	83,561,345	10,907,317	-	-	-	-	94,468,662	(14,490,561)	-	-	(2,247,807)	(107,737)	(16,846,105)	77,622,557
Community halls	26,841,961	-	-	-	-	-	26,841,961	(2,360,276)	-	-	(712,123)	-	(3,072,399)	23,769,562
Other	40,465,677	6,748,894	(145,000)	-	-	-	47,069,571	(7,641,446)	-	-	(1,067,962)	60,463	(8,646,945)	38,420,626
Cemeteries	224,224	-	-	-	-	-	224,224	(164,457)	-	-	(5,925)	-	(170,382)	53,842
	<b>155,899,167</b>	<b>17,656,211</b>	<b>(145,000)</b>	-	-	-	<b>173,410,378</b>	<b>(26,210,482)</b>	-	-	<b>(4,144,751)</b>	<b>(47,274)</b>	<b>(30,402,507)</b>	<b>143,007,871</b>

Winnie Madikizela-Mandela Local  
Municipality  
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Appendix B  
June 2024

Analysis of property, plant and equipment as at June 30, 2024  
Cost/Revaluation Accumulated depreciation

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Heritage assets</b>														
Other	1,260,799	-	-	-	-	-	1,260,799	-	-	-	-	-	-	1,260,799
	<b>1,260,799</b>	-	-	-	-	-	<b>1,260,799</b>	-	-	-	-	-	-	<b>1,260,799</b>
<b>Specialised vehicles</b>														
<b>Other assets</b>														
General vehicles	16,888,019	5,297,810	(1,063,907)	-	-	-	21,121,922	(7,711,873)	178,556	-	(1,087,032)	-	(8,620,349)	12,501,573
Plant & equipment	27,944,032	267,932	(140,108)	-	-	-	28,071,856	(19,523,220)	(989,773)	129,537	(18,434)	-	(20,401,890)	7,669,366
Computer Equipment	11,256,392	2,986,761	(180,758)	-	-	-	13,462,395	(6,925,199)	(1,347,860)	119,223	(242,503)	-	(8,396,339)	5,066,056
Computer Software (part of computer equipment)	2,740,673	-	-	-	-	4,212,789	6,953,462	(2,109,214)	(128,594)	-	-	-	(2,237,808)	4,715,654
Furniture & Fittings	310,845	-	(785)	-	-	-	310,060	(175,266)	(26,294)	782	(1,474)	-	(202,252)	107,808
Office Equipment	12,227,628	788,779	(1,063,907)	-	-	-	11,952,500	(10,289,173)	(63,024)	1,056,064	(62,355)	-	(9,358,488)	2,594,012
Markets	720,000	-	-	-	-	1,593,522	2,313,522	(57,600)	-	-	(28,800)	-	(86,400)	2,227,122
Civic land and buildings	39,160,310	-	-	-	-	91,988,617	130,148,927	(1,240,993)	-	-	(1,087,493)	-	(2,328,486)	128,420,441
Other buildings	14,349,881	-	-	-	-	-	14,349,881	(1,431,761)	-	-	(402,255)	-	(1,834,016)	12,515,865
Bins and Containers	1,646,434	374,751	(352,507)	-	-	-	1,668,678	(1,470,773)	(38,861)	352,255	-	-	(1,157,379)	511,299
	<b>127,244,214</b>	<b>9,116,033</b>	<b>(2,801,972)</b>	-	-	<b>97,394,928</b>	<b>230,953,203</b>	<b>(50,935,072)</b>	<b>(2,415,850)</b>	<b>1,657,861</b>	<b>(2,930,346)</b>	-	<b>(54,623,407)</b>	<b>176,329,796</b>



**Winnie Madikizela-Mandela Local  
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**Appendix B**  
June 2024

**Analysis of property, plant and equipment as at June 30, 2024**  
**Cost/Revaluation** **Accumulated depreciation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand	
<b>Total property plant and equipment</b>															
Land and buildings	31,663,103	462,740	-	-	-	-	32,125,843	(5,575,765)	-	-	(675,073)	-	(6,250,838)	25,875,005	
Infrastructure	742,381,930	84,066,209	(24,362,865)	-	-	43,035,063	845,120,337	(293,013,002)	15,230,888	-	(21,887,583)	(2,324,363)	(30,994,060)	543,126,277	
Community Assets	156,899,167	1,656,211	(145,000)	-	-	-	1,341,038	(26,210,482)	-	-	(4,144,751)	(47,274)	(30,402,507)	143,000,871	
Heritage assets	1,260,799	-	-	-	-	-	1,260,799	-	-	-	-	-	-	1,260,799	
Other assets	127,244,214	9,116,033	(2,801,972)	-	-	-	97,394,928	(50,935,072)	(2,415,850)	1,657,861	(2,930,346)	-	(54,623,407)	176,329,796	
	<b>1,058,449,213</b>	<b>111,301,193</b>	<b>(27,309,837)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140,429,991</b>	<b>1,282,870,560</b>	<b>(375,734,321)</b>	<b>12,815,038</b>	<b>1,657,861</b>	<b>(29,637,753)</b>	<b>(2,371,637)</b>	<b>(393,270,812)</b>	<b>889,599,748</b>
<b>Agricultural/Biological assets</b>															
<b>Intangible assets</b>															
<b>Investment properties</b>															
Investment property	42,209,500	7,084,700	-	-	-	-	49,294,200	-	-	-	-	-	-	49,294,200	
	<b>42,209,500</b>	<b>7,084,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,294,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,294,200</b>	
<b>Total</b>															
Land and buildings	31,663,103	462,740	-	-	-	-	32,125,843	(5,575,765)	-	-	(675,073)	-	(6,250,838)	25,875,005	
Infrastructure	742,381,930	84,066,209	(24,362,865)	-	-	43,035,063	845,120,337	(293,013,002)	15,230,888	-	(21,887,583)	(2,324,363)	(30,994,060)	543,126,277	
Community Assets	156,899,167	1,656,211	(145,000)	-	-	-	1,341,038	(26,210,482)	-	-	(4,144,751)	(47,274)	(30,402,507)	143,000,871	
Heritage assets	1,260,799	-	-	-	-	-	1,260,799	-	-	-	-	-	-	1,260,799	
Other assets	127,244,214	9,116,033	(2,801,972)	-	-	-	97,394,928	(50,935,072)	(2,415,850)	1,657,861	(2,930,346)	-	(54,623,407)	176,329,796	
Investment properties	42,209,500	7,084,700	-	-	-	-	49,294,200	-	-	-	-	-	-	49,294,200	
	<b>1,100,658,713</b>	<b>118,385,893</b>	<b>(27,309,837)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140,429,991</b>	<b>1,332,164,760</b>	<b>(375,734,321)</b>	<b>12,815,038</b>	<b>1,657,861</b>	<b>(29,637,753)</b>	<b>(2,371,637)</b>	<b>(393,270,812)</b>	<b>938,893,948</b>

**Winnie Madikizela-Mandela Local Municipality**  
**Winnie Madikizela-Mandela Local Municipality**  
**Appendix B**

**Analysis of property, plant and equipment as at 30 June 2023**  
**Cost/Revaluation** **Accumulated depreciation**

	Opening Balance	Additions	Disposals	Transfers	Revaluations	Other changes, movements	Closing Balance	Opening Balance	Disposals	Transfers	Depreciation	Impairment loss	Closing Balance	Carrying value
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Land and buildings</b>														
Land (Separate for AFS purposes)	3,098,628	-	-	-	-	-	3,098,628	-	-	-	-	-	-	3,098,628
Buildings (Separate for AFS purposes)	27,816,036	748,440	-	-	-	-	28,564,476	(4,930,376)	-	-	(645,389)	-	(5,575,765)	22,988,711
	<b>30,914,664</b>	<b>748,440</b>	-	-	-	-	<b>31,663,104</b>	<b>(4,930,376)</b>	-	-	<b>(645,389)</b>	-	<b>(5,575,765)</b>	<b>26,087,339</b>
<b>Infrastructure</b>														
Roads, Pavements & Bridges	631,674,723	81,183,212	(3,617,518)	-	-	47,904,907	757,145,324	(253,112,015)	1,552,646	929,484	(30,125,626)	-	(280,755,511)	476,389,813
Transmission & Reticulation	21,733,719	1,544,558	(297,038)	-	-	-	23,041,239	(3,982,307)	122,884	-	(610,157)	-	(4,469,580)	18,571,659
Waste Management	342,860	-	-	-	-	-	342,860	(1,296,454)	-	-	(167,261)	(1,732,429)	(3,196,144)	(2,853,284)
	<b>653,811,302</b>	<b>82,727,770</b>	<b>(3,914,556)</b>	-	-	<b>47,904,907</b>	<b>780,529,423</b>	<b>(258,390,776)</b>	<b>1,675,530</b>	<b>929,484</b>	<b>(30,903,044)</b>	<b>(1,732,429)</b>	<b>(288,421,235)</b>	<b>492,108,188</b>
<b>Community Assets</b>														
Parks & gardens	4,805,960	-	-	-	-	-	4,805,960	(1,442,499)	-	-	(111,243)	-	(1,553,742)	3,252,218
Sportfields and stadium	26,413,895	57,147,450	-	-	-	4,353,445	87,914,790	(12,769,826)	-	-	(1,720,736)	-	(14,490,561)	73,424,229
Civic buildings	15,873,973	23,286,337	-	-	-	79,313,878	118,474,188	(405,909)	-	-	(835,083)	-	(1,240,992)	117,233,196
Community halls	26,148,866	693,096	-	-	-	-	26,841,962	(1,681,953)	-	-	(678,322)	-	(2,360,275)	24,481,687
Market Place	723,000	-	-	-	-	4,225,511	4,948,511	(28,800)	-	-	(28,800)	-	(57,600)	4,891,911
Sewage and sanitation	554,374	-	-	-	-	-	554,374	(10,068)	-	-	(11,087)	-	(21,155)	533,219
Creche	14,349,881	-	-	-	-	1,889,690	16,239,571	(1,029,506)	-	-	(402,255)	-	(1,431,761)	14,807,810
Cemeteries	224,224	-	-	-	-	-	224,224	(146,442)	-	-	(18,015)	-	(164,457)	59,767
Other	37,740,418	2,725,259	-	-	-	-	40,465,677	(6,763,817)	-	-	(877,629)	-	(7,641,446)	32,824,231
	<b>126,831,591</b>	<b>83,852,142</b>	-	-	-	<b>89,782,524</b>	<b>300,466,257</b>	<b>(24,278,820)</b>	-	-	<b>(4,683,169)</b>	-	<b>(28,961,989)</b>	<b>271,504,268</b>

Winnie Madikizela-Mandela Local  
Municipality  
Winnie Madikizela-Mandela Local  
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Appendix B  
June 2024

Analysis of property, plant and equipment as at 30 June 2023  
Cost/Revaluation Accumulated depreciation

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Heritage assets</b>														
Buildings	1,230,799	-	-	-	-	-	1,230,799	-	-	-	-	-	-	1,230,799
Mayoral chain	-	30,000	-	-	-	-	30,000	-	-	-	-	-	-	30,000
	<b>1,230,799</b>	<b>30,000</b>	-	-	-	-	<b>1,260,799</b>	-	-	-	-	-	-	<b>1,260,799</b>
<b>Specialised vehicles</b>														
<b>Other assets</b>														
General vehicles	12,850,690	4,037,329	-	-	-	-	16,888,019	(6,600,452)	-	-	(1,111,721)	-	(7,711,873)	9,176,146
Plant & equipment	27,542,424	401,608	-	-	-	-	27,944,032	(17,781,696)	-	-	(1,722,650)	-	(19,504,346)	8,439,686
Computer Equipment	7,126,166	2,390,205	-	-	-	-	9,516,371	(4,378,047)	-	-	(950,846)	-	(5,328,893)	4,187,478
Computer Software (part of computer equipment)	2,230,573	600,000	(89,900)	-	-	4,212,789	6,953,462	(2,187,288)	-	-	(11,824)	-	(2,199,112)	4,754,350
Furniture & Fittings	245,845	65,000	-	-	-	-	310,845	(142,832)	-	-	(32,433)	-	(175,265)	135,580
Office Equipment	11,865,656	361,972	-	-	-	-	12,227,628	(9,395,628)	-	-	(855,901)	(37,740)	(10,289,269)	1,938,359
Bins and Containers	1,496,434	150,000	-	-	-	-	1,646,434	(1,053,434)	-	-	(417,078)	(18,873)	(1,489,385)	157,049
	<b>63,357,788</b>	<b>8,006,114</b>	<b>(89,900)</b>	-	-	<b>4,212,789</b>	<b>75,486,791</b>	<b>(41,539,077)</b>	-	-	<b>(5,102,453)</b>	<b>(56,613)</b>	<b>(46,698,143)</b>	<b>28,788,648</b>

**Winnie Madikizela-Mandela Local  
Municipality  
Winnie Madikizela-Mandela Local  
Municipality  
Appendix B  
June 2024**

**Analysis of property, plant and equipment as at 30 June 2023**  
**Cost/Revaluation** **Accumulated depreciation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
<b>Total property plant and equipment</b>														
Land and buildings	30,914,664	748,440	-	-	-	-	31,663,104	(4,930,376)	-	-	(645,389)	-	(5,575,765)	26,087,339
Infrastructure	653,811,302	82,727,770	(3,914,556)	-	-	47,904,907	780,529,423	(258,390,776)	1,675,530	929,484	(30,903,044)	(1,732,429)	(288,421,239)	492,108,188
Community Assets	126,831,591	83,852,142	-	-	-	89,782,524	300,466,257	(24,278,820)	-	-	(4,683,169)	-	(28,961,989)	271,504,268
Heritage assets	1,230,799	30,000	-	-	-	1,260,799	-	-	-	-	-	-	-	1,260,799
Other assets	63,357,788	8,006,114	(89,900)	-	-	4,212,789	75,486,791	(41,539,077)	-	-	(5,102,453)	(56,613)	(46,698,143)	28,788,648
	<b>876,146,144</b>	<b>175,364,466</b>	<b>(4,004,456)</b>	-	-	<b>141,980,220</b>	<b>1,189,406,374</b>	<b>(329,139,049)</b>	<b>1,675,530</b>	<b>929,484</b>	<b>(41,334,059)</b>	<b>(1,789,042)</b>	<b>(369,657,132)</b>	<b>819,749,242</b>
<b>Agricultural/Biological assets</b>														
<b>Intangible assets</b>														
<b>Investment properties</b>														
Investment property	40,471,783	-	-	-	-	1,737,717	42,209,500	-	-	-	-	-	-	42,209,500
	<b>40,471,783</b>	-	-	-	-	<b>1,737,717</b>	<b>42,209,500</b>	-	-	-	-	-	-	<b>42,209,500</b>
<b>Total</b>														
Land and buildings	30,914,664	748,440	-	-	-	-	31,663,104	(4,930,376)	-	-	(645,389)	-	(5,575,765)	26,087,339
Infrastructure	653,811,302	82,727,770	(3,914,556)	-	-	47,904,907	780,529,423	(258,390,776)	1,675,530	929,484	(30,903,044)	(1,732,429)	(288,421,239)	492,108,188
Community Assets	126,831,591	83,852,142	-	-	-	89,782,524	300,466,257	(24,278,820)	-	-	(4,683,169)	-	(28,961,989)	271,504,268
Heritage assets	1,230,799	30,000	-	-	-	1,260,799	-	-	-	-	-	-	-	1,260,799
Other assets	63,357,788	8,006,114	(89,900)	-	-	4,212,789	75,486,791	(41,539,077)	-	-	(5,102,453)	(56,613)	(46,698,143)	28,788,648
Investment properties	40,471,783	-	-	-	-	1,737,717	42,209,500	-	-	-	-	-	-	42,209,500
	<b>916,617,927</b>	<b>175,364,466</b>	<b>(4,004,456)</b>	-	-	<b>143,637,937</b>	<b>1,231,615,874</b>	<b>(329,139,049)</b>	<b>1,675,530</b>	<b>929,484</b>	<b>(41,334,059)</b>	<b>(1,789,042)</b>	<b>(369,657,132)</b>	<b>861,958,742</b>

**Winnie Madikizela-Mandela Local Municipality**

**Appendix D**

June 2024

**Segmental Statement of Financial Performance for the year ended**  
**Prior Year** **Current Year**

<b>Actual Income Rand</b>	<b>Actual Expenditure Rand</b>	<b>Surplus /(Deficit) Rand</b>		<b>Actual Income Rand</b>	<b>Actual Expenditure Rand</b>	<b>Surplus /(Deficit) Rand</b>
<b>Municipality</b>						
-	59,256,647	(59,256,647)	Executive & Council/Mayor and Council	100,000	59,119,207	(59,019,207)
394,780,104	103,314,814	291,465,290	Finance & Admin/Finance	424,475,068	108,802,079	315,672,989
6,859,161	24,436,413	(17,577,252)	Planning and Development/Economic Development/Plan	5,382,405	32,423,155	(27,040,750)
1,596,647	8,199,430	(6,602,783)	Comm. & Social/Libraries and archives	703,053	8,095,262	(7,392,209)
-	1,055,800	(1,055,800)	Housing	-	1,087,532	(1,087,532)
4,728,388	14,133,203	(9,404,815)	Public Safety/Police	4,665,642	17,493,142	(12,827,500)
-	2,015,466	(2,015,466)	Sport and Recreation	-	2,549,469	(2,549,469)
-	2,236,425	(2,236,425)	Environmental Protection/Pollution Control	-	2,540,394	(2,540,394)
20,016,968	25,252,610	(5,235,642)	Waste Water Management/Sewerage	7,151,168	29,066,158	(21,914,990)
73,192,331	47,072,693	26,119,638	Road Transport/Roads	68,842,964	62,835,734	6,007,230
57,288,025	71,106,835	(13,818,810)	Electricity /Electricity Distribution	65,746,202	81,010,262	(15,264,060)
-	7,286,228	(7,286,228)	Other/Air Transport	-	8,117,340	(8,117,340)
<b>558,461,624</b>	<b>365,366,564</b>	<b>193,095,060</b>		<b>577,066,502</b>	<b>413,139,734</b>	<b>163,926,768</b>
<b>Municipal Owned Entities Other charges</b>						
558,461,624	365,366,564	193,095,060	Municipality	577,066,502	413,139,734	163,926,768
<b>558,461,624</b>	<b>365,366,564</b>	<b>193,095,060</b>	<b>Total</b>	<b>577,066,502</b>	<b>413,139,734</b>	<b>163,926,768</b>

**Winnie Madikizela-Mandela Local Municipality**

**Appendix E(1)**

June 2024

**Actual versus Budget (Revenue and Expenditure) for the year ended 30 June 2024**

	Current year	Current year	Variance		Explanation of Significant Variances greater than 10% versus Budget
	2012	2012			
	Act. Bal.	Adjusted budget	Rand	Var	
	Rand	Rand			
<b>Revenue</b>					
Sale of goods	248,668	221,086	27,582	12.5	
Property rates	21,713,167	21,249,948	463,219	2.2	
Service charges	53,841,401	49,111,133	4,730,268	9.6	
Construction contracts	14,066,835	-	14,066,835	-	
Rental of facilities and equipment	7,969,863	5,402,232	2,567,631	47.5	
Interest received (trading)	3,794,989	3,789,530	5,459	0.1	
Agency services	1,298,390	1,414,192	(115,802)	(8.2)	
Commissions received	188,290	152,484	35,806	23.5	
Recoveries	735,340	104,540	630,800	603.4	
Other income 1	-	-	-	-	
Other income - (rollup)	32,897	29,997	2,900	9.7	
Fines, penalties and forfeits	1,285,810	225,000	1,060,810	471.5	
Licences and permit	2,102,291	2,537,200	(434,909)	(17.1)	
Grants and subsidies	352,620,578	357,060,433	(4,439,855)	(1.2)	
Interest received - investment	34,468,019	31,890,232	2,577,787	8.1	
Interest received - non exchange	5,200,308	5,379,872	(179,564)	(3.3)	
	<b>499,566,846</b>	<b>478,567,879</b>	<b>20,998,967</b>	<b>4.4</b>	
<b>Expenses</b>					
Personnel	(139,601,405)	(139,882,883)	281,478	(0.2)	
Remuneration of councillors	(26,454,463)	(28,480,421)	2,025,958	(7.1)	
Depreciation	(32,288,871)	(64,535,824)	32,246,953	(50.0)	
Amortisation	(128,594)	-	(128,594)	-	
Impairments	(9,252,340)	-	(9,252,340)	-	
Finance costs	(50,162)	(99,984)	49,822	(49.8)	
Debt Impairment	(2,273,866)	(10,108,776)	7,834,910	(77.5)	
Inventory	(5,761,353)	(7,583,928)	1,822,575	(24.0)	
Lease rentals on operating lease	(5,723,859)	(6,069,914)	346,055	(5.7)	
Bulk purchases	(43,466,987)	(47,730,636)	4,263,649	(8.9)	
Contracted Services	(82,810,741)	(123,508,541)	40,697,800	(33.0)	
Transfers and Subsidies	(2,805,345)	(3,280,728)	475,383	(14.5)	
General Expenses	(53,151,945)	(73,339,312)	20,187,367	(27.5)	
	<b>(403,769,931)</b>	<b>(504,620,947)</b>	<b>100,851,016</b>	<b>(20.0)</b>	
<b>Other revenue and costs</b>					
Gain or loss on disposal of assets and liabilities	(9,369,808)	22,432,320	(31,802,128)	141.8	
Fair value adjustments	7,084,700	-	7,084,700	-	
	<b>(2,285,108)</b>	<b>22,432,320</b>	<b>(24,717,428)</b>	<b>110.2)</b>	
<b>Net surplus/ (deficit) for the year</b>	<b>93,511,807</b>	<b>(3,620,748)</b>	<b>97,132,555</b>	<b>682.7)</b>	

## Winnie Madikizela-Mandela Local Municipality

### Appendix E(2)

June 2024

#### Budget Analysis of Capital Expenditure as at 30 June 2024

	<b>Additions</b>	<b>Revised</b>	<b>Variance</b>	<b>Variance</b>
	<b>Rand</b>	<b>Budget</b>	<b>Rand</b>	<b>%</b>
		<b>Rand</b>		
<b>Municipality</b>				
Executive & Council/Mayor and Council	-	1,304,348	1,304,348	100
Finance & Admin/Finance	4,719,749	7,964,310	3,244,561	41
Planning and Development/Economic Development/Plan	18,242,230	33,013,263	14,771,033	45
Comm. & Social/Libraries and archives	93,150	1,405,094	1,311,944	93
Public Safety/Police	2,256,191	2,543,480	287,289	11
Sport and Recreation	90,000	136,560	46,560	34
Environmental Protection/Pollution Control	-	86,960	86,960	100
Waste Management	5,544,505	11,488,434	5,943,929	52
Road Transport/Roads	86,837,617	93,613,427	6,775,810	7
Electricity /Electricity Distribution	3,029,456	3,499,987	470,531	13
	<b>120,812,898</b>	<b>155,055,863</b>	<b>34,242,965</b>	<b>22</b>
	<b>120,813</b>	<b>-</b>	<b>(120,813)</b>	<b>-</b>

Winnie Madikizela-Mandela Local Municipality  
Appendix F  
Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003  
June 2024

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act Yes/ No
		Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	
AQUITABLE SHARE	National Treasury	148,168,000	113,735,000	81,301,000	-	-	-	-	-	Yes
MIG	National Treasury	-	-	-	-	-	-	-	-	Yes
FMG	National Treasury	15,926,000	13,500,000	24,159,000	-	4,587,142	17,493,959	12,513,138	18,990,756	Yes
Library Grant	National Treasury	2,100,000	-	-	-	772,804	386,922	166,119	774,153	Yes
EPWP	Sports Arts and Recreational National	-	-	-	500,000	29,825	45,084	41,330	176,884	Yes
Disaster Recovery Grant	National Treasury	805,000	1,450,000	787,000	1,105,000	1,530,561	1,511,439	-	-	Yes
Disaster Response Grant	National Treasury	-	-	-	-	3,200,876	-	687,242	782,832	Yes
GBS	National Treasury	-	-	19,190,000	-	-	-	-	13,265,960	Yes
IDP Grant	Alfred Ndzo DM	-	9,167,822	-	-	-	-	1,353,800	1,180,000	Yes
		-	-	-	100,000	-	-	-	100,000	Yes
		-	-	-	-	-	-	-	-	
		166,999,000	137,852,822	125,437,000	1,705,000	10,121,208	19,437,404	14,761,629	35,270,585	

Note: A municipality should provide additional information on how a grant was spent per Vote. This excludes allocations from the Equitable Share.



**Winnie Madikizela-Mandela Local Municipality**  
**Appendix G1**  
**Budgeted Financial Performance (revenue and expenditure by functional classification)**  
**for the year ended June 30, 2024**

	2023/2024					2022/2023						
	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget Rand	Actual Outcome of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Revenue - Functional</b>												
<b>Municipal governance and administration</b>	391,308,042	20,055,424	411,363,466	424,575,068		13,211,602	103 %	109 %				394,998,570
Executive and council	-	-	-	100,000		100,000	DIV0 %	DIV0 %				-
Finance and administration	391,308,042	20,055,424	411,363,466	424,475,068		13,111,602	103 %	108 %				394,998,570
<b>Community and public safety</b>	4,598,685	267,991	4,866,676	5,368,694		502,018	110 %	117 %				6,325,034
Community and social services	605,284	120,000	725,284	703,053		(22,231)	97 %	116 %				1,598,647
Public safety	3,993,401	147,991	4,141,392	4,665,641		524,249	113 %	117 %				4,728,387
<b>Economic and environmental services</b>	62,281,427	2,867,689	65,149,116	74,225,368		(13,923,448)	84 %	119 %				80,051,492
Planning and development	2,986,343	8,995,599	11,981,942	5,382,405		(6,599,537)	45 %	180 %				6,859,161
Road transport	59,295,084	16,872,090	76,167,174	68,842,963		(7,324,211)	90 %	116 %				73,192,331
<b>Trading services</b>	58,201,200	10,026,913	68,228,113	72,897,373		4,669,260	107 %	125 %				77,132,060
Energy sources	49,297,848	11,206,937	60,504,785	65,746,205		5,241,420	109 %	133 %				57,288,025
Waste management	8,903,352	(1,180,024)	7,723,328	7,151,168		(572,160)	93 %	80 %				19,844,035
<b>Total Revenue - Functional</b>	<b>516,389,354</b>	<b>56,218,017</b>	<b>572,607,371</b>	<b>577,066,503</b>		<b>4,459,132</b>	<b>101 %</b>	<b>112 %</b>				<b>558,507,156</b>

**Winnie Madikizela-Mandela Local Municipality**  
**Appendix G1**  
**Budgeted Financial Performance (revenue and expenditure by functional classification)**  
**for the year ended June 30, 2024**

	2023/2024					2022/2023						
	Original Budget	Budget Adjustments (i.o. s28 and s31 of the MFMA)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Expenditure - Functional</b>												
Governance and administration	217,119,840	2,297,243	219,417,083	172,625,877	-	(46,791,206)	79 %	80 %	-	-	-	166,376,114
Executive and council	68,122,980	(2,184,922)	65,938,058	59,119,208	-	(6,818,850)	90 %	87 %	-	-	-	59,680,518
Finance and administration	144,047,148	4,482,165	148,529,313	108,802,079	-	(39,727,234)	73 %	76 %	-	-	-	102,712,075
Internal audit	4,949,712	-	4,949,712	4,704,590	-	(245,122)	95 %	95 %	-	-	-	3,983,521
Community and public safety	34,348,026	2,384,919	36,732,945	29,225,405	-	(7,507,540)	80 %	85 %	-	-	-	25,272,742
Community and social services	13,747,830	1,707,006	15,454,836	8,095,852	-	(7,359,514)	52 %	59 %	-	-	-	8,065,273
Sport and recreation	2,865,816	(140,000)	2,725,816	2,549,469	-	(176,347)	94 %	89 %	-	-	-	2,015,466
Public safety	16,543,920	972,905	17,516,825	17,493,142	-	(23,683)	100 %	106 %	-	-	-	14,133,203
Housing	1,190,460	(154,952)	1,035,468	1,087,532	-	52,064	105 %	91 %	-	-	-	1,055,800
Economic and environmental services	95,894,580	32,501,321	128,395,901	97,799,283	-	(30,596,618)	76 %	102 %	-	-	-	73,866,540
Planning and development	27,598,704	6,083,581	33,682,285	32,423,155	-	(1,259,130)	96 %	117 %	-	-	-	24,436,414
Road transport	65,786,112	26,210,740	91,996,852	62,835,734	-	(29,161,118)	68 %	96 %	-	-	-	47,193,701
Environmental protection	2,509,764	207,000	2,716,764	2,540,394	-	(176,370)	94 %	101 %	-	-	-	2,236,425
Trading services	96,035,496	42,405,950	138,441,446	110,076,419	-	(28,365,027)	80 %	115 %	-	-	-	96,186,508
Energy sources	67,303,020	41,511,960	108,814,970	81,010,262	-	(27,804,708)	74 %	120 %	-	-	-	71,106,835
Waste management	28,732,476	894,000	29,626,476	29,088,157	-	(538,319)	98 %	101 %	-	-	-	25,079,673
Other	4,299,312	(233,338)	4,065,974	3,412,749	-	(653,225)	84 %	79 %	-	-	-	-
Other	4,299,312	(233,338)	4,065,974	3,412,749	-	(653,225)	84 %	79 %	-	-	-	3,303,041
<b>Total Expenditure - Functional</b>	<b>447,697,254</b>	<b>79,356,095</b>	<b>527,053,349</b>	<b>413,139,733</b>	<b>-</b>	<b>(113,913,616)</b>	<b>78 %</b>	<b>92 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>365,004,945</b>
<b>Surplus/(Deficit) for the year</b>	<b>68,692,100</b>	<b>(23,138,078)</b>	<b>45,554,022</b>	<b>163,926,770</b>	<b>-</b>	<b>118,372,748</b>	<b>360 %</b>	<b>239 %</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193,502,211</b>

**Winnie Madikizela-Mandela Local Municipality**  
**Appendix G2**  
**Budgeted Financial Performance (revenue and expenditure by municipal vote)**  
**for the year ended June 30, 2024**

	2023/2024					2022/2023						
	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
<b>Revenue by Vote</b>												
Municipal Manager	-	-	-	100,000		100,000	DIV0 %	DIV0 %				-
Budget and Treasury Office	362,651,820	16,504,540	379,156,360	389,498,422		10,342,062	103 %	107 %				3/3,262,566
Corporate Services	441,462	(89,116)	352,346	428,746		35,800	109 %	97 %				5/5,665
Development Planning	28,429,690	12,781,817	41,211,507	37,251,433		(3,960,144)	91 %	131 %				22,759,240
Community and Social Services	13,502,037	(912,009)	12,590,028	12,519,862		(70,166)	99 %	93 %				26,169,067
Engineering Services	111,464,275	27,886,900	139,351,175	137,268,638		(2,082,537)	99 %	123 %				135,704,698
<b>Total Revenue by Vote</b>	<b>516,389,354</b>	<b>56,218,132</b>	<b>572,607,486</b>	<b>577,066,501</b>		<b>4,459,015</b>	<b>101 %</b>	<b>112 %</b>				<b>558,507,156</b>
<b>Expenditure by Vote to be appropriated</b>												
Mayor and council	49,080,696	(2,131,685)	46,949,011	42,136,534	-	(4,812,477)	90 %	86 %	-	-	-	43,248,455
Municipal Manager	39,573,456	2,783,663	42,357,139	38,713,537	-	(3,643,602)	91 %	98 %	-	-	-	35,627,361
Budget and Treasury Office	45,747,132	-	45,747,132	28,747,115	-	(17,000,017)	63 %	63 %	-	-	-	28,052,355
Corporate Services	64,945,524	1,019,323	65,964,847	44,334,837	-	(21,630,010)	67 %	68 %	-	-	-	40,986,173
Development Planning	24,897,804	5,074,983	29,972,787	28,578,168	-	(1,394,619)	95 %	115 %	-	-	-	21,967,413
Community and Social Services	83,784,138	4,882,101	88,666,239	80,422,205	-	(8,244,034)	91 %	95 %	-	-	-	71,784,211
Engineering Services	139,668,504	67,727,690	207,396,194	150,207,349	-	(57,188,845)	72 %	108 %	-	-	-	123,338,967
<b>Total Expenditure by Vote</b>	<b>447,697,254</b>	<b>79,356,095</b>	<b>527,053,349</b>	<b>413,139,745</b>	-	<b>(113,913,604)</b>	<b>78 %</b>	<b>92 %</b>	-	-	-	<b>365,004,945</b>
<b>Surplus/(Deficit) for the year</b>	<b>68,692,100</b>	<b>(23,137,963)</b>	<b>45,554,137</b>	<b>163,926,756</b>		<b>118,372,619</b>	<b>360 %</b>	<b>239 %</b>				<b>193,502,211</b>