ANNUAL PERFORMANCE REPORT 2024/2025

PURPOSE

Section 46(1) MSA states – “A municipality must prepare for each financial year a performance report reflecting: (a) The performance of the municipality and of each external service provider during that financial year; (b) A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; (c) Measures taken to improve performance.”

Section 46(2) MSA further states – “An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act."

This annual performance report is prepared for submission to the Office of the Auditor General as guided by **Section 45(1)(b)** of the Municipal Systems Act No. 32 of 2000.

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ACRONYMS

AC	Audit Committee
AFS	Annual Financial Statements
AG	Auditor General
AO	Accounting Officer / Municipal Manager (MM)
APR	Annual Performance Report
AR	Annual Report
BSD	Basic Service Delivery
CFO	Chief Financial Officer
COMMS	Community Services
CoGTA	Co-operative Governance and Traditional Affairs
CORPS	Corporate Services
DDM	District Development Model
ENGS	Engineering Services
PDS	Planning and Development Services
FMPPI	Framework for Managing Programme Performance Information
GGPP	Good Governance and Public Participation
IA	Internal Audit
IDP	Integrated Development Plan
IPMS	Individual Performance Management System
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MFMA	Municipal Finance Management Act, 2003
MFVM	Municipal Financial Viability and Management
MIDT	Municipal Institutional Development and Transformation
MM	Municipal Manager / Accounting Officer
MPPMR	Municipal Planning and Performance Management Regulations, 2001
MSA	Municipal Systems Act, 2000
NKPIs	National Key Performance Indicators
NDP	National Development Plan
NT	National Treasury
OPMS	Organisational Performance Management Scorecard
OSDBIP	Organisational Service Delivery and Budget Implementation Plan
PMR	Performance Management Regulations 2006
PMS	Performance Management Systems
SDBIP	Service Delivery and Budget Implementation Plan
SPEM	Spatial Planning and Environmental Management

TABLES

FLOWCHART / DIAGRAMS

ATTACHMENT(S)

CHAPTER 1 – INTRODUCTION

1.1 INTRODUCTION AND LEGISLATIVE BACKGROUND

This Annual Performance Report (APR) is submitted in compliance with **Section 46 of the Local Government: Municipal Systems Act (Act No. 32 of 2000)**, which requires every municipality to prepare a performance report as part of its annual reporting responsibilities.

Specifically, the report must reflect:

- The performance of the municipality and each external service provider during the financial year;
- A comparison of actual performance with targets set out in the **Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP)**;
- Measures taken to improve performance where targets were not met.

This report serves as a key accountability tool for the municipality and provides Council, oversight structures, and the community with a transparent assessment of institutional progress, service delivery, and compliance with strategic priorities.

In addition to fulfilling legislative obligations, this report supports the municipality's alignment with national policy frameworks, most notably the:

- **National Development Plan (NDP):** which promotes inclusive growth, capable and ethical governance, sustainable development, spatial justice, and social cohesion.
- **District Development Model (DDM):** which drives integrated planning and service delivery across all spheres of government through a "One Plan, One Budget" approach per district.

As Amajuba District Municipality, while we recognise the importance of aligning with the NDP and DDM, we acknowledge that further assessment is still required to determine the extent to which our performance reporting, implementation practices, and institutional planning are fully aligned to these frameworks. This reflection will help inform future planning, improve integration across government levels, and guide the enhancement of our monitoring and evaluation practices.

This APR is prepared for submission to the Office of the Auditor General as guided by Section 45(1)(b) of the MSA.

1.2 STRATEGIC INTENT OF AMAJUBA DISTRICT MUNICIPALITY

This section illustrates why Amajuba District Municipality (ADM) exists and the approach adopted in its endeavour to achieve what it aspires to become by framing its Vision, Mission, Purpose and Values to guide long-term development and service delivery.

The Municipality's strategic intent is to build a capable, responsible, and developmental institution that delivers quality basic services, drives sustainable socio-economic growth, and strengthens community confidence in local government. This intent is anchored in ADM's vision of a sustainable and resilient municipality, and mission to provide inclusive, equitable, and efficient services in partnership with our communities and stakeholders.

As the ADM staff, we are guided by our core values: Integrity – acting with honesty and upholding the highest ethical standards; Responsibility – taking ownership of our duties and decisions to serve the best interests of our communities; Accountability – being answerable for our actions and the use of public resources; Commitment – dedicating ourselves to delivering on our promises and improving lives; and Effectiveness – striving for the best outcomes by using resources efficiently and focusing on results. These principles shape our planning, budgeting, and performance management processes to achieve measurable improvements in service delivery, financial sustainability, and the quality of life of our residents.

Flowchart 1.1: Strategic Intent of Amajuba District Municipality

```
+------------------+
|      VISION      | ← Where we are going - What ADM Aspires to Become
+------------------+
         ↓
+------------------+
|     MISSION      | ← What we do, for whom, and how - What ADM Undertakes to Get There
+------------------+
         ↓
+------------------+
|     PURPOSE      | ← Why we exist - Why ADM Exists
+------------------+
         ↓
+------------------+
|      VALUES      | ← How we behave and deliver (Guiding Principles - How ADM Behaves)
+------------------+
         ↓
+--------------------------------------+
|      STRATEGIC INTENT                | ← Where are we going, how committed are we to getting
| (Guides planning, Budgeting,         |    there?
| Implementation, Monitoring &         | ← Long-term direction, priorities, and goals
|  Evaluation System)                  |
+--------------------------------------+
```

1.2.1 Vision

The Amajuba District Municipality vision provides insight on what the municipality aims to achieve (aspires to become) in terms of its medium and long term developmental goals. Its vision is as follows:

"By 2035 Amajuba will be a leading and pioneering District characterized by sustainable development and quality services".

1.2.2 Mission Statement

The Amajuba District Municipality mission statement explains how the municipality intends to achieve its vision — its strategic approach and daily operations. Its mission statement is as follows:

"The Amajuba District Municipality will champion in good governance through effective public participation, vibrant local economic development, integrated service delivery, and intergovernmental relations".

1.2.3 Purpose

In terms of public service and governance, the foundational reason for Amajuba District Municipality's existence is as follows:

"The priorities of the Amajuba District Municipality are embedded strongly in the provision of water and sanitation as it is a Water Service Authority for Emadlangeni and Dannhauser local municipalities respectively. The municipality is also vested in the programmes aimed at the upliftment of the communities within its jurisdiction in partnership with sector departments".

1.2.4 Values

The guiding principles that inform Amajuba District Municipality behaviour, decision-making, and service delivery are as follows:

"Integrity**, R**esponsibility**, A**ccountability**, C**ommitment**,** and **E**ffectiveness **(I RACE).**

CHAPTER 2 - SERVICE DELIVERY PERFORMANCE

2.1 GOVERNANCE AND OVERSIGHT STRUCTURES

Effective governance and oversight mechanisms are fundamental to driving institutional performance, accountability, and ethical service delivery. The following table structures are central to Amajuba District Municipality's oversight framework.

Table 2.1: Governance and Oversight Structures

Governance Structure	Functions
Municipal Council	The highest decision-making body, responsible for: • Approving the IDP, SDBIP, annual budget, and performance management framework; • Evaluating performance reports and taking strategic decisions; • Ensuring accountability across political and administrative levels.
Executive Committee (ExCo)	• Provides political oversight on implementation and service delivery; • Reviews performance reports and guides administrative execution.
Audit and Performance Audit Committee (APC)	An independent advisory structure that: • Evaluates the adequacy of internal controls, financial management, risk management, and performance reporting; • Advises on compliance with legal frameworks and best practices; • Reviews quarterly and annual performance reports; • Validates reported achievements and recommends improvements; • Promotes credibility and consistency in performance information.
Municipal Public Accounts Committee (MPAC)	• Conducts oversight on the Annual Report, Auditor-General outcomes, and municipal expenditure; • Engages stakeholders and holds the executive accountable for service delivery and financial discipline.
Internal Audit Function (IA Function)	• Undertakes risk-based audits on performance information, governance processes, and compliance controls; • Provides early warning on deficiencies and areas requiring corrective action.
Risk Management Committee (RMC)	• Monitors strategic and operational risks; • Supports development and implementation of risk mitigation plans; • Contributes to the municipality's resilience and institutional stability.
Administrative Leadership	The Municipal Manager, as the Accounting Officer, and senior management team are responsible for: • Translating strategic plans into implementable actions; • Managing operations, reporting performance, and ensuring compliance; • Supporting governance structures through credible reporting, implementation tracking, and corrective measures.

The effectiveness of the above structures is directly linked to performance achievement. Where oversight, leadership, and monitoring systems function optimally, municipalities are more likely to meet targets, respond to poor performance, and serve communities with integrity and impact.

2.2 PERFORMANCE MANAGEMENT OVERVIEW

This section looks at the alignment of the Performance Management System (PMS), Budget and Integrated Development Planning (IDP). Demonstration will be made on how municipal performance is derived from the IDP strategic objectives which are translated into the Service Delivery and Budget Implementation Plan (SDBIP). The IDP, Budget and SDBIP are interlinked through municipal strategic objectives and financial allocations, thus allowing for measurable municipal operations translated into key performance indicators (KPIs) stated in the SDBIP. Organisational performance management at the municipality is evaluated by the top layer SDBIP which contains mostly output indicators.

MFMA Circular No.13 prescribes:

- that the IDP and Budget must be aligned;
- that the Budget must address the strategic priorities;
- that the SDBIP should indicate the course of action to be executed during the next 12-months;
- that the SDBIP should form the basis for measuring the performance against goals set during the Budget /IDP processes.

Table 2.2 below indicates the status quo of documents required in order in to ensure alignment of the IDP, PMS and Budget.

Table 2.2: IDP, PMS and Budget Alignment 2024/2025

Criteria	Established (Yes/No/ Partial)	Comments
Is there a Council adopted PMS Framework of the year under review?	Yes	Council adopted PMS Policy and Framework Review 2024/2025 on 12 September 2024 and 2025/2026 on 26 June 2025.
Is there a Council adopted Budget of the year under review?	Yes	Council adopted Budget 2024/2025 on 30 May 2024 and the 2025/2026 on 29 May 2025.
Is there a Council adopted IDP of the year under review?	Yes	Council adopted IDP Review 2024/2025 on 30 May 2024 the 2025/2026 on 29 May 2025..
Is there a Council adopted IDP Process Plan of the year under review?	Yes	Council adopted IDP Process Plan 2024/2025 and 2025/2026 on 28 August 2023 and 23 August 2024 respectively.
Is there a Council adopted SDBIP of the year under review?	Yes	Mayor approved the 2024/2025 SDBIP on 27 June 2024.
Was the SDBIP revised during the year under review? And then approved by Council?	Yes No	The SDBIP 2024/2025 was revised, however it was not tabled to Council after approval of the Adjustment Budget in the meeting held on 25 February 2025.
Were the above documents communicated with the community members?	Yes	Communicated through municipal website.
Does the municipality have measurable indicators as per National Treasury	Yes	Municipality's preferred performance management technique is Logic Model (see diagram 2.1 contained in Chapter 2 of this report)

<table>
<tr><td>Framework for Managing Programme Performance Information?</td><td></td><td></td></tr>
<tr><td>Does the IDP have priorities, strategic objectives, key performance indicators (KPIs)?</td><td>Yes</td><td>Strategic objectives, strategies and KPI outputs are translated into the municipal approved SDBIP.</td></tr>
<tr><td>Were all existing Section 54/56 Managers in possession of signed performance agreements during the year under review?</td><td>Yes</td><td>All existing Section 54/56 Managers signed performance agreements on 31 July 2024, these were submitted to MEC for CoGTA KZN by 31 July 2024 and submitted to Council on 12 September 2024.</td></tr>
<tr><td>Are the IDP indicators aligned to the Section 54/56 Managers Performance Plans?</td><td>Yes</td><td>Output indicators contained in the approved SDBIP are translated into each Section 54/56 Manager Performance Plan. Indicators are grouped into relevant Key performance Areas (KPAs) and each KPA is provided a weighting depending on the significance of the KPIs and core functions of the specific department.</td></tr>
<tr><td>Were all existing quarterly performance reports developed and submitted to Council?</td><td>Yes</td><td>Quarterly performance reports were submitted and adopted by Council .</td></tr>
<tr><td>Is the municipality's PMS audited by an Internal Auditor for functionality and legal compliance?</td><td>Yes</td><td>Quarterly SDBIP assessment reports were audited.</td></tr>
<tr><td>Has the municipality established the Performance Evaluation Panel?</td><td>Yes</td><td rowspan="2">Performance Evaluation Panel to conduct annual evaluations is established in terms of 2006 Municipal Performance Regulations for the Municipal Managers and Managers directly accountable to the Municipal Manager. Performance assessment are yet to be conducted.</td></tr>
<tr><td>Were all quarterly individual performance assessments conducted?</td><td>No</td></tr>
<tr><td>Has the municipality cascaded PMS to levels below Senior Management?</td><td>No</td><td>Employee Development Management System (EDMS) Policy has been developed. Implementation is work in progress.</td></tr>
<tr><td>Is the municipality with appointed Audit Committee (AC) and / or Performance AC?</td><td>Yes</td><td>There is a combined audit committee, meaning that it is a single audit committee responsible for both financial and performance management AC. Five Audit and Performance Committee appointed by Council on 25 January 2024 (Resolution C306:25/01/24). Term of office: 01 February 2024 to 31 January 2027.</td></tr>
<tr><td>Has the municipality established the Municipal Public Accounts Committee (MPAC)</td><td>Yes</td><td>MPAC established on the 30th of November 2021.</td></tr>
<tr><td>Is there a Council adopted Adjustment Budget?</td><td>Yes</td><td>Adjustment Budget was adopted by Council on 25 February 2025.</td></tr>
<tr><td>Did the municipality prepare and submit to the Mayor and Council the Mid-Year</td><td>Yes</td><td>Mid-Year Performance and Budget Assessment Report submitted and approved by Council on 23 January 2025.</td></tr>
</table>

Performance and Budget Assessment Report (Sect 72 Report)?		
Does the municipality have a Council approved Annual Report and its Oversight Report for the year?	Partial	The Annual Report was noted by Council on 23 January 2025, it was then advertised for public and stakeholder's inputs until 12 March 2025. Inputs were only received from AGSA as part of their audit review process. The AR was amended based on the AGSA inputs and tabled to MPAC in the meeting held on 24 March 2025 so that Members can prepare the Oversight Report. Members accepted the amended AR. There was an item submitted to the Council meeting held on 27 March 2025, however this item was not deliberated on by Council. At the time of preparing this report, Council has not deliberated on the item.

As it can be deduced in table 2.2 above, some governance and administrative challenges continue to impact performance - particularly the ongoing vacancy of the Municipal Manager position,

2.3 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan (SDBIP) of Amajuba District Municipality consist of six (6) key performance areas namely:

1) Municipal Transformation and Institutional Development (MTID)
2) Basic Service Delivery (BSD)
3) Local Economic Development (LED)
4) Municipal Financial Viability and Management (MFVM)
5) Good Governance and Public Participation (GGPP) and
6) Spatial Planning and Environment Management (SPEM).

Table 2.3: Organisational SDBIP total number of Key Performance Indicators from 2021 - 2025

Key Performance Areas (KPAs)	Total Number of KPIs			
	2024/2025	2023/2024	2022/2023	2021/2022
MTID	04	03	04	02
BSD	11	13	23	18
LED	09	11	10	05
MFVM	15	09	14	12
GGPP	18	17	40	39
SPEM	03	07	03	01
Total	**60**	**60**	**94**	**77**

Source: Organisational SDBIP 2021/2022 - 2024/2025

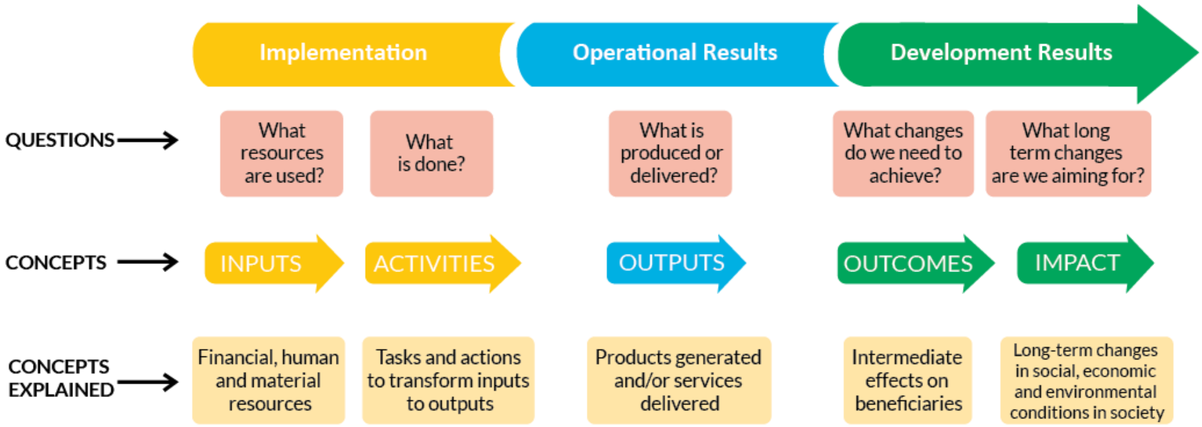
2.4 ASSESSMENT METHODOLOGY OF KEY PERFORMANCE INDICATORS

Performance is assessed across the six KPAs as mention in table 2.3 above. The performance of each of these KPAs is outlined in table 2.5A and 2.5B below.

The assessment of actual performance against targets set for each key performance indicator (KPI) as documented in the approved SDBIP is conducted using assessment criteria explained in table 2.4 below. The Logic Model as seen in diagram 1.1 below illustrates that type of existing KPIs, of which output KPIs are mostly assessed in the organisational SDBIP. These criteria:

- provide an overview of how a program/project is expected to work, from inputs to impact, and helps one to understand the rationale and anticipated outcomes.
- serve as a valuable planning and communication tool for program/project development and evaluation.

Diagram 1.1: Logic Model



Source: Framework for Managing Programme Performance Information of 2007

Table 2.4: Assessment Criteria – Key Performance Indicators

Category	Explanation
Planned	Targets planned for the period under review
Not Applicable	Targets not planned for the period under review
KPI met (achieved)	Actual vs. target equal to or more than 100% achieved
KPI not met (not achieved)	Actual vs. target equal to or less than 99%

Where KPIs are not met, reasons for poor- or non-performance should be clearly outlined; in line with these reasons measurable corrective actions should be stipulated. Where target is overly achieved, reasons are deviation must be stipulated; the intention is to determine if the planned target was not underestimated.

2.5 PERFORMANCE RESULTS PER KEY PERFORMANCE AREA

This section indicates, in detail, the performance of the municipality per KPA. It provides an overview of key performance highlights, challenges encountered, the remedial actions and recommendations proposed to enhance and strengthen performance. This section is informed by extensive research aimed at developing actionable recommendations (in a case of poor/under achievement) to position the municipality for success in achieving its planned targets and, ultimately, its strategic objectives.

As noted in table 2.5A and table 2.5B below, the overall performance achievement remains below acceptable standards, with significant underperformance noted across KPAs. Ineffective planning and a lack of accountability have hindered progress, resulting in resource wastage and delays in service delivery.

Table 2.5A: Performance per Key Performance Area from 2021 - 2025

KPAs	2024/2025				2023/2024				2022/2023				2021/2022			
	Annual Targets	Achieved	Not Achieved	%age Achieved	Annual Targets	Achieved	Not Achieved	%age Achieved	Annua Targets	Achieved	Not Achieved	%age Achieved	Annual Targets	Achieved	Not Achieved	%age Achieved
MTID	**4**	4	0	**100%**	3	3	0	**100%**	4	2	2	**50%**	2	2	0	**100%**
BSD	**11**	6	5	**54.55%**	13	7	6	**53.85%**	23	11	12	**48%**	18	9	9	**50%**
LED	**9**	8	1	**88.89%**	11	9	2	**81.82%**	10	5	5	**50%**	5	3	2	**60%**
MFVM	**15**	6	9	**40%**	9	3	6	**33.33%**	14	5	9	**36%**	12	7	5	**58%**
GGPP	**18**	11	7	**61.11%**	17	10	7	**58.82%**	40	26	14	**65%**	39	24	15	**62%**
SPEM	**3**	1	2	**33.33%**	7	4	3	**57.14%**	3	2	1	**67%**	1	1	0	**100%**
Total	**60**	**36**	**24**	**60%**	**60**	**35**	**24**	**60%**	**94**	**51**	**43**	**54%**	**77**	**46**	**31**	**60%**

Source(s): OSDBIP 2024/2025 Performance Reports, APR 2023/2024, 2022/2023, and 2021/2022

Table 2.5B: Performance per Key Performance Area – Quarter 1 to Quarter 4 of 2024/2025

KPA	Annual Targets	Quarter 1					Quarter 2					Mid-Year					Quarter 3					Quarter 4				
		Not Applicable	Planned	Achieved	Not Achieved	%age Achieved	Not Applicable	Planned	Achieved	Not Achieved	%age Achieved	Not Applicable	Planned	Achieved	Not Achieved	%age Achieved	Not Applicable	Planned	Achieved	Not Achieved	%age Achieved	Not Applicable	Planned	Achieved	Not Achieved	%age Achieved
MTID	**4**	3	**1**	1	0	**100%**	4	**0**	0	0	**N/A**	3	**1**	1	0	**100%**	3	**1**	1	0	**100%**	2	**2**	2	0	**100%**
BSD	**11**	4	**7**	4	3	**57,14 %**	2	**9**	3	6	**33,33 %**	2	**9**	3	6	**33,33 %**	4	**7**	3	4	**42,86 %**	5	**6**	3	3	**50%**
LED	**9**	6	**3**	3	0	**100%**	6	**3**	2	1	**66,67 %**	5	**4**	3	1	**75%**	6	**3**	2	1	**66,67 %**	2	**7**	6	1	**85.71 %**
MFMV	**15**	3	**12**	3	9	**25%**	4	**11**	5	6	**45,45 %**	3	**12**	6	6	**50%**	5	**10**	4	6	**40,00 %**	1	**14**	5	9	**35.71 %**
GGPP	**18**	1	**17**	11	6	**64,71 %**	2	**16**	11	5	**68,75 %**	1	**17**	12	5	**70,59 %**	1	**17**	14	3	**82,35 %**	0	**18**	12	6	**66.66 %**
SPEM	**3**	0	**3**	2	1	**66,67 %**	0	**3**	1	2	**33,33 %**	0	**3**	1	2	**33,33 %**	0	**3**	2	1	**66,67 %**	0	**3**	2	1	**66.66 %**
Total	**60**	**17**	**43**	**24**	**19**	**55,81 %**	**18**	**42**	**22**	**20**	**52,38 %**	**14**	**46**	**26**	**20**	**56,52 %**	**19**	**41**	**26**	**15**	**63,41 %**	**10**	**50**	**30**	**20**	**60%**

Source: 2024/2025 SDBIP & Quarter 1-4 Organisational SDBIP Assessment Report

2.6 DETAILED PERFORMANCE RESULTS PER KEY PERFORMANCE AREA

2.6.1 Performance Achievements, Challenges and Remedial Actions

This section indicates, in detail, the performance of the Municipality per key performance area (KPA).

A. Municipal Transformation and Institutional Development

The strategic objective under this KPA is outlined as follows:

- To achieve sound administration, management and governance in line with organised local government guidelines.

The primary goals of MTID is to enhance the municipality's capacity to deliver efficient, effective, responsive, accountable, equipped and capable municipality that can deliver quality services and meet its developmental objectives and sustainable services to its community. These goals focus on strengthening institutional capacity by building a well-functioning, accountable institution that is equipped with the necessary systems, structures, and skilled personnel to meet developmental objectives and address community needs. The focus is also on improving governance, and fostering transformation to address historical imbalances. By achieving these goals, municipalities can enhance their organizational effectiveness, improve service delivery, and foster socio-economic development in their communities.

Table 2.6.1: MTID Performance Overview

Municipal Transformation and Institution Development				
Period	**Total Targets**	**Targets Met**	**Target Not Met**	**% Achieved**
2024/25	4	4	0	**100%**
2023/24	3	3	0	**100%**
2022/23	4	2	2	**50%**
2021/22	2	2	0	**50%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
CORPS 1.11 - Development and Review of Departmental Policies under	Date by which the departmental reviewed existing policies are approved by Council	Submit to Council 32 reviewed existing HRM policies; 5 Property Management Policies; 1 Records Management Policy for 2025/2026 by 30 June 2025	32 existing HRM reviewed policies were submitted to Council and were adopted by Council on 29 May 2025 for 2025/2026	No variance	None
CORPS 1.14 - Development of Employment Equity Report	Date by which an Employment Equity (EE) Report is submitted to the Department of Employment & Labour (DoE&L)	Submission of Employment Equity (EE) Report to the Department of Employment & Labour (DoE&L) by 31 January 2025	Employment Equity (EE) Report was submitted to the Department of Employment & Labour (DoE&L) on 17 December 2024 which was before 31 Jan 2025 and was acknowledged by (DoE&L)	No variance	None
CORPS 1.16 - Development Workplace Skills Plan (WSP) and Annual Training Report (ATR)	Date by which the Workplace Skills Plan (WSP) and Annual Training Report (ATR) is submitted to LGSETA and then Council for Noting	30-Apr-2025	Submitted WSP 2025/2026 and ATR 2024/2025 to LGSETA on 24 April 2025 and to Council for adoption which was adopted by Council on 29 May 2025	No variance	None
CORPS 1.17- Development and signing of performance agreements (PAs) for Section 54A and 56 Managers	Date by which the Performance Agreements for Section 54A & 56 Managers are signed, submitted to Council and forwarded to MEC for CoGTA	Signing of 2024/25 performance agreement by 31 July 2025 for existing Sect 54/56 Managers signing of 2024/25 performance agreement within 90 days of commencement of employment as Sect 54/56 Managers submission of signed 2024/25 agreements to Council and then forwarded to the MEC for LG within 14 days once concluded	The Performance Agreements for Section 54A & 56 Managers were signed by 31 July 2024, submitted to Council on 12 September 2024 and forwarded to MEC for COGTA KZN by 31 July 2024	Performance Agreements (PAs) tabled to Council after submission to CoGTA	No Council meeting held in July 2024; item on PA submitted on 26 August 2024 however Council meeting adjourned before item was discussed.

Performance challenges and Planned interventions

- There is a need to place extensive emphasises on the functions, activities and outputs that constitutes municipal transformation and institution development.
  - Actionable Recommendation(s): It is recommended that indicators focusing on improving organizational capacity (workplace skills development plan implementation, training targets and vacancy at management level, employment equity plan implementation), employee performance, service delivery efficiency, and information, communication and technology (ICT) which were omitted in the SDBIP of the financial year under review. These type of indicators will help track and promote effective municipal transformation, focusing on both employee performance and organizational capacity to improve public service delivery.

- Limited ability to assess achievement against the set targets:
  - For certain MTID programmes, the reported achievements could not be fully validated as the portfolio of evidence had not been ratified, thereby limiting assurance on reliability and credibility of reported performance.

B. Basic Service Delivery

The strategic objectives under this KPA are outlined as follows:

- To ensure access to basic water and sanitation to community members within Amajuba district
- To facilitate and encourage land use management and geographic information systems
- To coordinate provision of basic community infrastructure and services as per acceptable norms and standards
- To promote the development of a safe and healthy environment in line with applicable legislation

Primary goal of this KPA is provision of water and sanitation to Emadlangeni and Dannhauser local municipalities. In the year under review, the Amajuba District Municipality continued to implement several infrastructure and service delivery projects aligned to the strategic objective of improving access to water, sanitation, road infrastructure, and disaster management services.

- Basic service delivery capital projects are funded through **Municipal Infrastructure Grant (MIG) and Water Services Infrastructure Grant (WSIG)**.
- The MIG is a conditional grant (funds to be spent on specific infrastructure projects) provided by the national government to municipalities to eradicate municipal infrastructure backlogs in poor communities to ensure the provision of basic services such as water, sanitation, and roads; while the WSIG facilitates the planning and implementation of various water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services, especially in rural municipalities.
- The **Rural Roads Assessment and Management System (RRAMS)** is a tool or framework used to plan, assess, maintain, and improve rural road networks.

The table 2.6.2A, 2.6.2B and 2.6.2C below illustrates all the MIG and WSIG projects as well as RRAMS current underway.

Table 2.6.2A: Implementation of Municipal Infrastructure Grant Projects

No.	Project Name	Funding				Contract Amount	Project Wards	Project Start – End Dates	Revised Project End Date	Progress	Challenges	Proposed Solution
		Original Budget	Expenditure	Outstanding	%							
			(Vat Inclusive)									
MUNICIPAL INFRASTRUCTURE GRANT (MIG)												
1	PMU Administration	R2 337 200	R2 337 200	R0	100%	Not Applicable	N/A Not Applicable	2024/07/01 to 2025/06/30	2025/06/30	Implementation. On-going	Nil	
2	Emadlangeni Sanitation	R16 631 547	R15 562 917	R1 068 630	94%	R38 000 212	eMadlangeni Ward 1,3,4,5,6	2023/06/21 to 30/01/2025	30-Jun-25	The project was separated into 3 contracts. Contract 1 has an allocation of 719 VIP units. Contract 1 has been completed. Contract 2 has an allocation of 904 VIP units. Contract 2 has been completed. Contract 3 has an allocation of 927 VIP units. Contract 3 has completed 897 units. Overall construction progress is at 99%.	Toilet marking & verification	Contractor to commission all units

3	Bulk Water Supply Goedehoop Housing Project (Phase 2) – Utrecht WWTW	R7 221 431	R1 975 659	R5 245 772	27%	R59 276 694	Ward 2 eMadlangeni	2023/06/21 to 23/03/2025	30-Jun-27	The project is at 21% complete.	The project has gone on retender due to the contractor cancelling the contract and withdrawal of contractor appointment by ADM. Tenders closed on 17 April 2025. The delayed implementation of the project has resulted in ADM not completing its allocation for 2024/25FY.	Fast track the procurement of the contractor. BEC & BAC has been chaired. The appointment of a new contractor
4	Hilltop Settlement Reservoir Water Reticulation	R0	R0	R0	#DIV/0!	R70 315 065	Ward 3, 7 and 12	2020/06/15 to 30/06/2022	30-Apr-25	The project is 100% complete	Nil	Nil
5	Amajuba District Municipality Maintenance Business	R9 927 500	R9 927 072	R428	100%	R9 263 909	Amajuba DM, All Wards	2024/08/23 to 30/04/2025	30-Jun-25	Durnacol WWTW drying sludge beds refurbishment, Tweediedale Ponds organics determinant by Process Engineer, Meter procurement and	Commissioning of the project and submitting of	Contractor to submit all outstanding information

	Plan (O&M Project)									installation complete, fencing at Tweediedale is complete, Mechanical screen has been refurbished. Sludge management plan, Durnacol WWTW contact tank, office refurbishment complete. The installation of the chemical dosing system at Durnacol WTW is complete. The project is 98% complete	outstanding plans	
6	Zaaihook WTW & Bulk Water Supply	R5 770 000	R5 768 293	R1 707	100%	Not Applicable	eMadlangeni ward	2025/03/24 to 30/06/2026	30-Jun-26	Planning works have commenced, Feasibility study, concept & viability have been completed. Environmental studies, WULA and stakeholder engagement in progress	The project has been brought forward for implementing in 2024/25FY	Project has been brought forward to assist with the MIG expenditure
7	Augmentation of Sewer System in Utrecht and Surrounding Areas	R2 097 727	R2 097 727	R0	100%	Not Applicable	Emadlangeni Ward 2	To Be Advised	To Be Advised	Inception, concept & viability in progress	Project implementation has been approved however it is yet to be included in the 2024/25FY MECS by CoGTA	CoGTA has been requested to include the project on the MECS to assist with the MIG expenditure
8	Removal and Replacement of Asbestos Cement Water	R2 329 595	R2 329 595	R0	100%	Not Applicable	eMadlangeni Ward 2	To Be Advised	To Be Advised	Inception, concept & viability in progress	Project implementation has been approved however it is yet to be	CoGTA has been requested to include the project on the MECS to assist with the MIG expenditure

	Pipelines in Emadlangeni										included in the 2024/25FY MECS by CoGTA	
9	Construction of Groenvlei WTW & Bulk Water	R0	R0	R0	#DIV/0!	Not Applicable	Not Applicable	To Be Advised	To Be Advised	PSP appointment has been finalised.	The PSP has had a delay in finalising his business plan due to information required from DHS regarding the number of future households the business plan has to cater for	The engagement with DHS is on-going. The matter has been raised on meetings held with DHS and will be discussed on the upcoming meeting. DDM to be notified of ADM’s challenge
	Total MIG	**R46 315 000**	**R39 998 463**	**R6 316 537**	**86%**	**MIG**						
	MIG Drawdowns	**R46 315 000**	**R39 998 463**	**R6 316 537**	**86%**	**MIG**						

Source: Engineering Service Project Management Unit Expenditure Report as at 30 June 2025 submission to Portfolio Committee

Table 2.6.2B: Implementation of Water Services Infrastructure Grand Projects

No.	Project Name	Funding				Contract Amount	Project Wards	Project Start – End Dates	Revised Project End Date	Progress	Challenges	Proposed Solution
		Original Budget	Expenditure (Vat Inclusive)	Outstanding (Vat Inclusive)	%							
WATER SERVICES INFRASTRUCTURE GRANT												
1	Re-furbishment of Water and Waste Water Treatment Plant – Utrecht WTW	R0	R3 338 477	-R3 338 477	#DIV/0!	R40 159 806	Ward 2 Utrecht	2022/03/01 to 30/10/2023	30-Sep-24	Inlet works is at 100%, Chemical dosing building is at 100%, Filter block is at 100%, Chlorine building is at 100%, Operator facilities is at 100%, SCADA system is at 100%, Machine room is at 100%, General equipment is at 100%. The project overall progress is 100% complete.	Nil	Nil
2	Construction of Braakfontein Reservoir	R0	R0	R0	#DIV/0!	R59 913 612	Dannhauser, all wards	2020/06/15 to 30/08/2022	To Be Confirmed	The project is at 98% complete. Major outstanding activities include: resealing & retesting of the reservoir.	The project on of works on the project	Consultants have sent a notice of termination to the contractor. Consultant is pursuing the contractor's guarantee for completing the project'. ADM legal has requested information from the consultant in relation to the project prior to

												issuing out an opinion
3	Emergency Water Supply to Ramaphosa, Hilltop & Skombaren	R84 000 000	R83 787 008	R212 992	100%	R178 135 535	Dannhauser ward 1,2,3,7	2023/10/20 to 20/10/2025	20-Oct-26	Reservoir sub-drainage, scour and overflow chamber casting completed, surface bed, column & wall casting complete. Reservoir roof casting complete, Pumpstation column and roof casting has been complete, 12,144km pipeline excavation and laying in progress. The project is 72% complete	Private property owner refusing access to contractor to proceed with pipelaying in his farm. A PTO was acquired from him in 2019. This has resulted in temporarily restricted access and has affected progress in the area.	The contractor and ISD engaging relevant stakeholders to resolve the matter promptly
4	Reduction of Non-Revenue Water via reduction of real losses	R1 000 000	R857 991	R142 009	86%	R39 442 052	Dannhauser all wards, Emadlangeni ward 2	2022/06/30 to 01/07/2025	01-Aug-25	The project is at 40% complete. The contractor was recording data correctly all replaced meters	Contractor not returning to site after payment has been made by Amajuba DM	The contractor's contract lapsed end of June 2025. Legal to advise if contract can be lawfully terminated
5	COVID-19 Intervention MIG/WSIG Reprioritisation	R11 000 000	R8 772 065	R2 227 935	80%	R23 364 429	Dannhauser all wards	2022/02/01 to 30/06/2023	30-Jun-25	The project overall progress is 86% complete. Mizana Contract – Electricals at 100%, Outlet Upgrade at 99%, Flow Control Valve at 100%. Sinethemba Contract – Leaked Testing & Repairs at 25%, Fairbreeze pumpstation inlet at 100%, Rutland	Eskom power connection to the pumpstations. Depicted 2024/25 allocation resulting in the contractor progressing slow on site	Continuous follow up with Eskom regarding the connection. Contractor has stated that he will be submitting an extension of time claim for the delays experienced. Awaiting next tranche allocation

										pumpstation at 99,5%, Dorset pumpstation at 99,5%, Eastbourne pumpstation 8%, Jessie pumpstation 96%.		
6	Sewer AC Pipeline Replacement in Dannhauser & Durnacol	R3 500 000	R3 244 459	R255 541	93%	TBA	Dannhauser Ward 2	To Be Advised	To Be Advised	Inception complete, conception & viability in progress.	The project has been brought forward for implementing in 2024/25FY	Project has been brought forward due to the additional funding received from DWS
7	Re-furbishment of Water and Waste Water Treatment Plant – Utrecht WTW – Phase 2	R500 000	R0	R0	0%	TBA	Ward 2 Emadlangeni	To Be Advised	To Be Advised	Approval has been received from DWS, project planning phase to commence	Depleted 2024/25 allocation resulting in works commencing in 2025/26FY	Awaiting next tranche allocation
	Total WSIG	**R100 000 000**	**R100 000 000**	R0	100%	**WSIG**						
	WSIG Drawdowns	**R100 000 000**	**R100 000 000**	R0	100%	**WSIG**						

Source: Engineering Service Project Management Unit Expenditure Report as at 30 June 2025 submission to Portfolio Committee

Table 2.6.2C: Implementation of Rural Road Assessment Management System

No.	Project Name	Funding				Contract Amount	Project Wards	Project Start – End Dates	Revised Project End Date	Progress	Challenges	Proposed Solution
		Original Budget	Expenditure	Outstanding	%							
			(Vat Inclusive)									
Rural Road Assessment Management System (RRAMS)												
	RRAMS	**R2 476 000 + R569 800 = R3 045 800**	**R2 597 047,98**	**R448 752,02**	100%	**RRAMS**	All Wards	2024/07/01	2025/06/30	Traffic count contractor is at completion	The procurement of the bakkie will result in the completion of the allocation.	

Source: Engineering Service Project Management Unit Expenditure Report as at 30 June 2025 submission to Portfolio Committee

Table 2.6.2D: MIG, WSIG and RRAMS Spending

MIG Spending	WSIG Spending	RRAMS Spending
= (Expenditure / Budget)*100 = (R39 998 463 / R46 315 000)*100 **= 86.36%**	= (Expenditure / Budget)*100 = (R100 000 000 / R100 000 000)*100 **= 100%**	= (Expenditure / Budget)*100 = [(R2 597 047,98 + R448 752,02) / R3 045 800)]*100 **= 100%**

Table 2.6.2E: BSD Performance Overview

Basic Service Delivery				
Period	**Total Targets**	**Targets Met**	**Targets Not Met**	**% Achieved**
2024/25	11	6	5	**54.55%**
2023/24	13	7	6	**53.85%**
2022/23	23	11	12	**48%**
2021/22	18	9	9	**50%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
ENGS 2.1 - Upgrade Emadlangeni Sanitation	Number of completed VIP units with GPS Co-ordinates and happy letters	1 719	1 719	No variance	None
ENGS 2.4 - Emergency Water Supply to Ramaphosa, Hiltop and Skobhareni-phase 1 of 2	Percentage implementation of Emergency Water Supply to Ramaphosa, Hiltop and Skobhareni	70%	72%	Surplus of 2%	contractor performance is satisfactory
ENGS 2.7 - Rural roads asset management system	Kilometers of road inspected and assessed	590 KM for the 2024/2025 FY A total of 2209 including kms covered in 2023/2024 FY	590 km	No variance	None
ENGS 2.8 - Rural roads asset management system	Number of stations where road traffic count is conducted	80 Stations	80 Stations	No variance	None

COMMS 2.5 - Disaster Prevention	Number of firebreaks conducted	4 (1 Newcastle, 2 Emadlangeni, 1 Dannhauser)	Conducted 4 Fire Breaks (1 Newcastle,2 Emadlangeni and 1 Dannhauser)	No variance	None
COMMS 2.6 - Disaster Relief Intervention	Percentage of disaster stricken households assisted with relief and recovery material	100%	100%	No variance	None

Performance challenges and Planned interventions

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation	Corrective Measures
ENGS 2.2 - Goedehoop Bulk Water and Sanitation Phase 2	Percentage implementation of Goedehoop Bulk Water and Sanitation Phase 2	85%	0%	Shortfall of 85%	SCM has not made contractor appointment	SCM to fast track appointment, BEC has convene and the BAC is yet to convene
ENGS 2.3 - Refurbishment of Utrecht Water Treatment Plant- PHASE 2	Percentage implementation of Utrecht Water Treatment Plant	30%	0%	Shortfall of 30%	Implementation approval from DWS was received late in the quarter	Project planning phase to commence next financial year
ENGS 2.5 - WC/WDM Programme (Reduction Non-Revenue Water via Reduction of Real Losses)	Percentage implementation of WC/WDM Programme	100%	40%	Shortfall of 60%	Contractor not returning to site	Consultant to utilise the GCC to ensure the contractor returns to site
ENGS 2.6 - Amajuba District Municipality Covid -19 Intervention Project	Percentage implementation of COVID 19 Intervention programme	100%	84%	Shortfall of 16%	Rain delays, Eskom connection delays	extension of time claim, follow up with Eskom to do connection
COMMS 2.1 - Disaster Prevention	Number of lightning conductors installed by date	install 60 (20 per LM) lightning conductors by 31 December 2024	Installed 60 Lightning conductors by the 30th of June 2025	Date which the lightning conductors were installed by (They were meant to be installed in Quarter 2, but were installed in Quarter 4)	Delays in SCM Processes were addressed by instituting the Disaster Management Panel of Service providers for Disaster Management Operations	None

Key Observation:

While current performance is promising, there is a need for structured intervention in project management and financial oversight. For sustained success, it is recommended to:

- *Enhance cost management:* conducting cost efficiency reviews and aligning budget usage with progress can help mitigate overspending risks and optimize resource allocation.
- *Strengthen / Improve contractor management:* establish performance-milestone linked payment structures and consider contingency plans for delayed projects to minimize disruptions. Enforce tighter contract clauses and monitor through regular biweekly project meetings.
- *Ensure realistic target setting*: adapt planned targets based on available resources and addressing identified SDBIP KPI calculation errors can improve future reporting accuracy and operational transparency.
- *Enhance supply chain management and funding alignment:* fast-track procurement and fund disbursements to avoid implementation stalls.

C. Local Economic Development

The strategic objective(s) under this KPA are outlined as follows:

- To facilitate, encourage & support the development of an enabling environment for LED
- To facilitate strategic relations that will unlock economic opportunities
- To promote the development of a safe and healthy environment in line with applicable legislation

The primary goals of LED are to promote sustainable economic growth, create employment opportunities, and improve the quality of life for communities within a municipality. LED focuses on empowering local stakeholders, leveraging resources, and fostering partnerships to drive inclusive economic development. LED initiatives aim to build a resilient and inclusive local economy, contributing to the overall development goals of the municipality and improving community well-being.

Table 2.6.3: LED Performance Overview

Local Economic Development				
Period	**Total Targets**	**Targets Met**	**Targets Not Met**	**% Achieved**
2024/25	9	8	1	**88.89%**
2023/24	11	9	2	**81.82%**
2022/23	10	5	5	**50%**
2021/22	5	3	2	**60%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
PDS 3.2 - Low carbon, resource efficient and socially inclusive economy	Number of Green Economy Projects implemented	1	1	No variance	Not Applicable
PDS 3.3 - Agricultural Development and Diversification	Number of Vegetables Production Projects implemented in a given period	6 (2 Newcastle,2 Dannhauser, 2 Emadlangeni)	6 (2 Newcastle,2 Dannhauser, 2 Emadlangeni)	No variance	Not Applicable
PDS 3.6 - Climate Change Job Creation Programme	Number of jobs created through Climate Change Programme	10 by 31 May 2025	10 Jobs Created	No variance	Not Applicable
PDS 3.7 - District Tourism Strategy	Date by which a Review of Tourism Strategy is approved by Council	30-Jun-2025	Council adopted the Tourism Strategy Review on the 26th June 2025	No variance	Not Applicable
PDS 3.8 - Tourism marketing	Number of marketing platforms in which Amajuba DM participated	One Marketing product	Participated at Africa Travel Indaba 2025 13 -15 May 2025	No variance	Not Applicable
COMMS 3.1 - Employment of Community Care Givers (CCGs)	Number of Community Care Givers employed	40	44	Surplus of 4	Not Applicable
ENGS 3.1 - Job creation through the implementation of Environmental /Social and Infrastructure Projects & Expanded Public Works Programme(EP WP Incentive Programme)	Number of jobs created through EPWP Grant	240	304	Surplus of 64	Amajuba DM council has t resolved to undertake an adjustment to the budget and extend contracts for an additional 6 months thus creating additional work opportunities during Quarter 4.
ENGS 3.2 - EPWP worker training and development through the	Number of jobs created through capital projects	265	270	Surplus of 5	The aim is to create more worker opportunities under EPWP funding during the financial year;

implementation of the Expanded Public Works Programme					subsequently 5 additional EPWP workers were employed under the following project Rehabilitation to Chelmsford Access Road.

Performance challenges and Planned interventions

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation	Corrective Measures
COMMS 3.2 - Disaster Management Volunteers	Number of disaster management volunteers recruited by date	6 volunteers (31 March 2025)	0 Volunteers Recruited	Shortfall of 6 Volunteers	The process had to be run via Council Committees and there was a delay in Council Meetings being convened	The Council sat on the 26th of June 2025 and resolved that the volunteers may be appointed effective from the new Financial Year. The process is underway.

Key Observation:

- Despite 88.88% KPI achievement, most were low-impact activities (e.g. EPWP, handovers of items such as fertilisers).
    - Lack of sustainability in job creation interventions.
    - No clear evidence of investment attraction or business support services.
    - No clear link of the LED strategy to measurable growth outcomes or private sector partnerships.
    - No evidence of implementation of the LED strategy.

      Actionable Recommendation(s): It is recommended:
        - that in future the outcome-based indicators to focus on Small Medium and Micro Enterprise (SMME) turnover, number of jobs retained, access to markets be included.
        - that the LED Strategy be reviewed and updated to align with long-term goals (investment, youth employment, rural enterprise development).
        - that a District SMME and Cooperatives Development Programme be developed and implemented, including business training, incubation, and mentorship; access to markets and finance facilitation; and structured support for cooperatives in agriculture, waste, and tourism.
        - that LED monitoring and impact reporting be improved.
        - that LED planning be aligned with Integrated District Development Model (DDM) priorities.

- Limited ability to assess achievement against the set targets:
  - For certain LED programmes, the reported achievements were not fully supported by accurate or sufficient portfolio of evidence, which impacts the credibility and verifiability of the reported performance.

D. Municipal Financial Viability and Management

The strategic objective(s) under this KPA are outlined as follows:

- To achieve effective financial management
- To achieve sound governance, management, administration and equity within Amajuba District in line with organised local government guidelines

The primary goals of MFVM are to ensure sound financial governance, promote sustainability, and enhance the municipality's ability to deliver services efficiently. These goals aim to secure the financial health of the municipality while ensuring accountability and transparency in the use of public funds. By achieving these goals, municipalities can ensure financial resilience, improve service delivery, and contribute to sustainable development.

Table 2.6.4: MFVM Performance Overview

Municipal Financial Viability and Management				
Period	**Total Targets**	**Targets Met**	**Target Not Met**	**% Achieved**
2024/25	15	6	9	**40.00%**
2023/24	9	3	6	**33.33%**
2022/23	14	5	9	**36%**
2021/22	12	7	5	**58%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
FINS 4.1 - Annual Financial Statements	Date by which Annual Financial Statements (AFS) are submitted to AGSA	31-Aug-2024	31-Aug-2024	No variance	None
FINS 4.4 - Monitoring of revenue collection	Percentage collection rate (Norm: 95%)	>=45%	49%	Surplus of 4%	The internal target of 45% reflects the Municipality's realistic revenue base. Actual performance exceeded the target. While below Treasury norms, revenue enhancement strategies are being implemented to improve long-term performance.

FINS 4.6 - Revenue protection and enhancement	Revenue Growth (%) : (Norm: rate of CPI)	4,5%	9,0%	Surplus of 4.5%	The revenue growth above CPI is caused by the increase in revenue collection as the municipality is implementing revenue strategies
FINS 4.8 - Debtors Management	Net Debtors Days (Norm: 30 days)	<=1150 days	645	Shorter by 505 days	Even though we have achieved based on the target but the municipality is still below the norm. Review revenue enhancement strategies to improve our customer payment net days
FINS 4.14 - Remuneration costs monitoring (Pg 17 of MFMA circular 71)	Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure) (Norm: 25% to 40%)	50%	47%	3% less	Contrary to the legislative norm, the 50% ratio results from existing organogram obligations. No further recruitment is planned unless critical. Cost containment measures are in place to reduce this ratio in future years. Municipality is noting the caution against setting low norms and standards.
ENGS 4.2 - Percentage of WSIG spent	Percentage of WSIG spent for the period under review	100%	100%	No variance	None

Performance challenges and Planned interventions

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation	Corrective Measures
FINS 4.3 - Adequacy of investment in fixed assets (Pg 2 of MFMA Circular 71)	Capital Expenditure to Total Expenditure (Norm: 10-20%)	10% to 20%	26%	6% over	This is caused by the nature of municipality which is providing infrastructure which is investing to long-term term assets. This is funded by reliance conditional	

					grants which have conditions to be spent on capital expenditure. Therefore, it is expected that the municipality will always over achieve in this ratio	
FINS 4.5 - Implementation of Customer-care, Credit Control and Debt Collation Policy	Percentage reduction of long outstanding debt: Bad Debts Written-off as % of the Bad Debt Provision (Norm: 100%)	100% write-off	0%		Delays in calculation for the provision impairment of bad debts	Bad debts write-off item has been prepared to Council and will be processed in current financial year as soon the recommendations are approved
FINS 4.7 - Revenue protection and enhancement	Percentage Operating Revenue Budget Implementation (Norm: 95%)	>=95%	77%	18%	Less than expected responsiveness of customers in the revenue enhancement strategies. Although the target is not been met but there is improvement from the previous quarter	The municipality has appointed a service provider to assist with Revenue Enhancement Strategies
FINS 4.9 - Liquidity Management	Cash/Cost Coverage Ratio (Norm: Range 1 month - 3 months)	4 months	1 Month	3 Months	The ratio was below the internal target due to grant dependency and cash flow timing.	Monthly cash forecasting and project expenditure controls are being enforced to stabilize coverage at 1 month or higher.
FINS 4.10 - Liquidity Management	Current Ratio (Norm: 1.5 to 2.1)	1.0	0.6	Shortfall of 0.4	The municipality faced challenges in managing its liquidity effectively, resulting in a lower current ratio. Delays in	Implementing stricter controls and forecasting methods to ensure better management of cash inflows and outflows. Tightening monitoring of expenditures to

					receiving expected revenues impacted the availability of liquid assets.	prevent unexpected drains on liquidity.
FINS 4.11 - Payment of creditors	Creditors Payment Period (Norm: 30 days)	<=30 days	139 days	105 days over	Low cashflow	Negotiations to write off-interests and payment arrangements in place. Council has approved the cost containment measures to be implemented to prioritize essential services only.
FINS 4.12 - Payment of creditors	Percentage of municipal payments made to trade creditors (service providers) who submitted complete forms made within turnaround time of invoice receipt	pay 50% trade creditors within 30 days of receipt of invoices with complete supporting documentation	45%	Shortfall of 5%	Low cashflow	Negotiations to write off-interests and payment arrangements in place. Council has approved the cost containment measures to be implemented to prioritize essential services only.
FINS 4.13 - Compliance monitoring - Finance Department	Percentage of Unauthorised, Irregular, Fruitless, & Wasteful Expenditure (Norm: 0%)	8% Unauthorised, 6% Irregular, 2% Fruitless and Wasteful	44% Unauthorised 23% Irregular 1% Fruitless and Wasteful	Over planned target by 36% Unauthorised over; 17% Irregular over; 1% Fruitless and Wasteful over	Departments don't stick to procurement plan	Departments to follow procurement plan and budget. KPI was based on actual trends to monitor reductions. Procurement adherence is improving. Write-offs are under consideration via MPAC. Controls and consequence management are being reinforced.
ENGS 4.1 - Percentage of MIG spent	Percentage of MIG spent for the period under review	100%	86%	Shortfall of 14%	No contractor appointed for Goedehoop project	SCM to fast track contractor appointment

Key Observation:

- Continued misalignment with MFMA Circular 71 indicators - Most of the planned targets under this KPA were not aligned with the MFMA Circular 71 norms, primarily due to the financial distress currently facing the municipality. While the planned targets are not fully aligned with legislative norms, they were set to reflect realistic expectations in line with the municipality's financial situation.
- Poor performance on key financial norms (e.g. collection rate, liquidity, UIFWE, expenditure management) - While some targets were achieved, there is still significant room for improvement to ensure long-term financial sustainability:
    - Examples include:
        - Revenue Collection Rate: Planned Target: 45% / Actual Performance: 49% / Norm (Circular 71): 85%. Although the target was exceeded, performance remains well below the national benchmark.
        - Net Debtor Days: Planned Target: 1,150 days / Actual Performance: 645 days / Norm (Circular 71): 30 days. Though still high, there is a notable reduction from previous years. Improvement is due to stronger billing controls and credit follow-ups. Continued reductions expected through enhanced debtor engagement, while below Treasury norms.
        - UIFWEs: these unwanted expenditures remain way above the norm of 0%: 44% Unauthorised 23% Irregular 1% Fruitless and Wasteful.
        - Creditors Payment Period: Planned Target: <=30 days / Actual Performance: 139 days / Norm (Circular 71): 30 days. The performance remains significantly outside the acceptable range.
        - Current ratio: Planned Target: 1.0 / Actual Performance: 0.6 / Norm (Circular 71): 1.5 to 2.1. The performance remains outside the acceptable range. The low ratio reflects current liabilities exceeding assets, largely due to aged debtors and unspent grants. Grant implementation is being accelerated and short-term liabilities managed more actively.
        - Remuneration as % of operating expenditure: Planned target of 50% was achieved as actual performance was at 47% by the financial year-end. Contrary to the legislative norm, the 50% ratio results from existing organogram obligations. No further recruitment is planned unless critical. Cost containment measures are in place to reduce this ratio in future years. Municipality is noting the caution against setting low norms and standards.
- Lack of effective implementation of the Revenue Enhancement Strategy.

E. <u>Good Governance and Public Participation</u>

The strategic objective(s) under this KPA are outlined as follows:

- To achieve sound governance, management, administration and equity within Amajuba District in line with organised local government guidelines
- To achieve effective financial management
- To promote the development of a safe and healthy environment in line with applicable legislation
- To ensure social cohesion and development within Amajuba district
- To promote public participation through stakeholder mobilization

The primary goals of GGPP are to promote transparency, accountability, inclusivity, and trust between the municipality and its stakeholders. These goals ensure that municipal decisions and actions align with the needs and priorities of the community, fostering democratic governance and sustainable development. By achieving these goals, municipalities can create a governance environment that fosters trust, encourages community ownership, and enhances service delivery.

Table 2.6.5: GGPP Performance Overview

Good Governance and Public Participation				
Period	**Total Targets**	**Targets Met**	**Targets Not Met**	**% Achieved**
2024/25	18	11	7	**61.11%**
2023/24	17	10	7	**58.82%**
2022/23	40	26	14	**65%**
2021/22	39	24	15	**61,54%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
FINS 5.9 - Spending on Indigents	Percentage of the municipality's operating budget spent on indigent relief for free basic services	100%	100%	No variance	None
FINS 5.25 - Clearance of Payroll Suspense Account	Percentage of Revenue Suspense Accounts cleared to zero rand	100%	100%	No variance	None
COMMS 5.1 - Disaster Awareness	Number of disaster awareness campaigns conducted	8	8	No variance	None
COMMS 5.3 - Coordination and Implementation of HIV and AIDS Programmes	Number of HIV/AIDS awareness programmes conducted	8	8	No variance	None
COMMS 5.4 - Coordination and Implementation of Social Development Programmes	Number of gender equity programmes conducted	4	4	No variance	None
COMMS 5.5 - Coordination and Implementation of Social Development Programmes	Number of senior citizens programmes conducted	8	8	No variance	None
COMMS 5.6 - Coordination and Implementation of Social Development Programmes	Number of programmes for people living with disability conducted	8	8	No variance	None
COMMS 5.7 - Coordination and Implementation of Social Development Programmes	Number of children rights programmes conducted	8	8	No variance	None
COMMS 5.8 - Coordination and Implementation of Youth Development Programmes	Number of youth programmes conducted	8	8	No variance	None

COMMS 5.9 - Coordination and Implementation of Social Development Programmes	Number of sports development programmes conducted	4	4	No variance	None
ENGS 5.1 - Water and Sanitation awareness campaigns	Number of water and sanitation awareness campaigns conducted	3	3	No variance	None

Performance challenges and Planned interventions

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation	Corrective Measures
FINS 5.8 - Customer care	Percentage of customer billing queries resolved within turnaround time	Resolve 100% customer billing queries within 5 days of receipt	Not Achieved (Not Reported)		Although not numerically stated in the APR, system records confirm that billing queries are resolved consistently above 95%.	This will now be explicitly stated in the report, supported by PoE.
FINS 5.10 - Reduced number of days to place an order below R30 000	Percentage of approved requisitions below R30,000 converted to orders within turnaround time	100% of approved requisitions below R30 000 converted to orders within 7 days of approved requisition receipt	Not Achieved (Not Reported)		Performance information not reported	
FINS 5.11 - Reduced number of days for orders between R 30 000 and R 200 000	Percentage of approved requisitions above R30,000 and below R200,000 converted to orders within turnaround time	100% of approved requisitions above R30,000 and below R200,000 converted to orders within 14 days of approved requisition receipt	23%	Shortfall of 77%	delays caused by other units, approval not done in time	user departments follow progress of purchase orders
FINS 5.12 - Implementation of SCM Policy	Average number of days from the point of advertising to the letter of award per 80/20 procurement process Norm: 90 days	<=90 days	60,8 appointed within 90 days		Performance information incorrected reported	
ENGS 5.3 - Customer Care Management	Percentage of complaints received and responded within turn around-time	80% resolved within set turnaround time per SoP	95%	Turn - around time cannot be detected	Inadequate systems to determine turnaround time	Budget and install the system 2024/2025

ENGS 5.4 - Compliance to acceptable drinking water quality standards	Percentage of compliant water quality provided to communities as required by National Department of Water and Sanitation	99.99%	95.16%	Shortfall of 4.83%	Aging infrastructure plays a big role in non-compliance as this results in frequent pipe bursts, tempering with quality	Apply for funding to change asbestos pipes to PVC pipes, are more prone to breakages leading to bursts and interfering with quality.
ENGS 5.5 - Compliance to acceptable waste water quality standards	Percentage of compliant wastewater quality discharged to the natural environment as required by National Department of Water and Sanitation	80%	0%	Shortfall of 80%	Samples could not be taken as waste was not reaching the waste treatment facilities	A list of actions to be carried out to ensure that waste reaches the treatment works has been sent to O&M unit

Key Observation:

- A significant number of Good Governance indicators are event- or activity-based, which limits the ability to assess the actual outcomes and impact of these initiatives. It is recommended that the current indicators be reviewed to incorporate more outcome-focused measures. Where event or activity indicators remain relevant, they should be complemented by metrics that evaluate the quality, effectiveness, and sustainability of the interventions.
- Limited ability to assess achievement against the set targets:
    - The performance information relating to SCM indicators was inadequately reported, reflecting non-compliance with approved KPIs and undermining the accuracy and credibility of performance reporting for the SCM Unit.
    - The performance information relating to billing KPI was not reported, resulting in an incomplete assessment of the municipality's performance in this area.

F. Spatial Planning and Environmental Management

The strategic objective(s) under this KPA are outlined as follows:

- To promote the development of a safe and healthy environment in line with applicable legislation

The primary goals of SSEM are to promote sustainable development, ensure efficient land use, and protect natural resources while fostering equitable access to land, infrastructure, and services. These goals aim to balance economic growth, social development, and environmental protection. By achieving these goals, municipalities can foster balanced, sustainable, and inclusive growth while protecting the environment and ensuring long-term resilience.

Table 2.6.6: SPEM Performance Overview

Spatial Planning and Environmental Management				
Period	**Total Targets**	**Targets Met**	**Targets Not Met**	**% Achieved**
2024/25	3	1	2	**33.33%**
2023/24	7	4	3	**57.14%**
2022/23	3	2	1	**67%**
2021/22	1	1	0	**100%**

Performance achievements

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation
COMMS 6.2 - Food Quality Monitoring	Number of food samples taken and analysed	40	40	No variance	None

Performance challenges and Planned interventions

Programme / Project Name	Indicator	Annual Target	Actual Performance	Variance	Reasons for Deviation	Corrective Measures
PDS 6.2 - Monitoring of ambient air using air quality equipment	Number of compliant air quality samples	160 compliant samples	8	Shortfall of 152	Procurement delays (requisitions not approved by SCM)	SCM to improve on approving requisitions timeously
COMMS 6.1 - Water Quality Monitoring	Number of water samples taken and analysed	100	94	Shortfall of 6	Delay in Payment to National Health Laboratory Services	Invoices to be submitted on time

2.7 OVERALL ORGANISATIONAL PERFORMANCE

The table below illustrates an overall performance of the municipality in achieving its key performance indicators / planned targets for the period under review.

In the year under review, 37 out of the 60 planned targets were achieved, resulting in a 61.67% achievement rate. This represents a slight increase of 1.67% from the previous financial year's achievement rate of 60% (36 targets met of the planned 60).

Table 2.7A: An overview of achievement of Key Performance Indicators from 2021 - 2025

Category	Explanation	2024/2025		2023/2024		2022/2023		2021/2022	
		Number of KPIs	%age	Number of KPIs	%age	Number of KPIs	%age	Number of KPIs	%age
KPI met (achieved)	**Actual vs. target equal to or more than 100% achieved**	**36**	**60%**	**36**	**60%**	**51**	**54%**	**46**	**60%**
KPI not met (not achieved)	**Actual vs. target equal to or less than 99%**	**24**	**40%**	**24**	**40%**	**43**	**46%**	**31**	**40%**
Total		**60**	**100%**	**60**	**100%**	**94**	**100%**	**77**	**100%**

Table 2.7B: An overview of achievement of Key Performance Indicators – Quarter 1 to Quarter 4 of 2024/2025

Category	Explanation	Annual KPI / Performance Targets = 60									
		Quarter 1		Quarter 2		Mid-Year		Quarter 3		Quarter 4	
		Number	% Achieved	Number	% Achieved	Number	% Achieved	Number	% Achieved	Number	% Achieved
Planned	**Targets planned for the period under review**	43	**71.67%**	42	**70.00%**	46	**76.67%**	41	**68.33%**	50	**83.33%**
Not Applicable	**Targets not planned for the period under review**	17	**28.33%**	18	**30.00%**	14	**23.33%**	19	**31,67%**	10	**16.66%**
KPI met (achieved)	**Actual vs. target equal to or more than 100% achieved**	24	**55.81%**	22	**52.38%**	26	**56.52%**	26	**63.41%**	30	**60.00%**
KPI not met (not achieved)	**Actual vs. target equal to or less than 99%**	19	**44.19%**	20	**47.62%**	20	**43.48%**	15	**36.59%**	20	**40.00%**

2.8 2023/2024 PERFORMANCE-RELATED AUDIT FINDINGS

During the audit of predetermined objectives of the previous financial year (2023/2024), the Office of the Audit General of South Africa (AGSA) identified 3 performance-related audit findings.

- **Basic service delivery:** Indicators which were at 53.85% achievement whereas 120% of the budget was utilised.

- **Strategic planning and performance management:** SDBIP did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote for each quarter, as required by section 1 of the MFMA.
- **Human resource management:** AGSA was unable to obtain sufficient appropriate audit evidence that appropriate systems and procedures to monitor, measure, and evaluate the performance of staff were developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000 and regulation 31 of the Municipal Staff Regulations.

Basic Service Delivery

2023/2024			2024/2025		
Targets Achieved: 53,85% ***Budget Spent: 120%***			***Average Planned Target = 77%*** ***Average Targets Achieved = 39.20%*** ***Budget = R 111 877 432*** ***Budget Spent: R 95 392 723 = 85.27%***		
KPI	**Planned target**	**Reported achievement**	**Planned target**	**Reported achievement**	**Comments from User-Departments**
ENGS 2.2 - Percentage implementation of Goedehoop Bulk Water and Sanitation Phase 2	60%	21% *Planned target not achieved*	85% Budget: R 17 215 910 Budget Spent = 11.48%	0% Expenditure: R 1 975 659 *Planned target not achieved*	SCM has not made contractor appointment. SCM to fast track appointment, BEC has convene and the BAC is yet to convene. There is no construction on site.
ENGS 2.7 - Percentage implementation of Utrecht water treatment plant	100%	99% *Planned target not achieved*	30% Budget: R 2 000 000 Budget Spent = 0%	0% Expenditure: R 0 *Planned target not achieved*	Implementation approval from DWS was received late in the financial year and no construction could take place. Construction to commence next financial year.
ENGS 2.8 - Percentage implementation of emergency water supply to Ramaphosa Hilltop and Skobhareni	100%	22% *Planned target not achieved*	70% Budget: R 77 341 836 Budget Spent = 108.34%	72% Expenditure: R 83 787 008 *Planned target achieved*	Contractor performance is satisfactory.

ENGS 2.9 - Percentage implementation of WC/WDM programme	60%	34% *Planned target not achieved*	100% Budget: R 3 766 583 Budget Spent = 22.78%	40% Expenditure: R 857 991 *Planned target not achieved*	Contractor not returning to site. Consultant to utilise the GCC to ensure the contractor returns to site
ENGS 2.10 - Percentage implementation of Covid 19 intervention programme	100%	40% *Planned target not achieved*	100% Budget: R 11 553 103 Budget Spent = 75.94%	84% Expenditure: R 8 772 065 *Planned target not achieved*	Rain delays, Eskom connection delays. Extension of time claim, follow up with Eskom to do connection

Performance across the five key projects shown in the table above shows significant variance:

- Two projects (ENGS 2.2 and ENGS 2.7) achieved 0% of their planned targets, despite having budget allocations.
- ENGS 2.8 was implemented successfully, achieving 72% against a 70% target, but incurred an overspend of 8.34% above budget.
- ENGS 2.9 and ENGS 2.10 progressed partially, with achievements of 40% and 84%, respectively, but still fell short of the planned 100%.
- While the weighted budget utilisation is 85.27%, indicating most funds were spent, the average KPI achievement is only 39.2%, reflecting weak alignment between spending and service delivery outcomes.

Audit Finding 2023/2024		**Corrective Measure 2024/2025**
Strategic planning and performance management	The service delivery budget implementation plan for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote for each quarter, as required by section 1 of the MFMA.	The 2024/2025 SDBIP does include have monthly projections by source of collection and the monthly operational and capital expenditure by vote for each quarter, as required by section 1 of the MFMA.
Human resource management	Unable to obtain sufficient appropriate audit evidence that appropriate systems and procedures to monitor, measure, and evaluate the performance of staff were developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000 and regulation 31 of the Municipal Staff Regulations.	

CHAPTER 3 – PERFORMANCE OF EXTERNAL SERVICES PROVIDERS

The monitoring of the service providers performance is ensured through the signing of the Service Level Agreement (SLA) which should be sealed within 30 days after an appointment is made.

- Signed SLA is imperative to ensure that both parties, the Service Provider and Municipality, know the kind of service expected and to be received at required timeframes.
- Signed SLA also legally enables the Municipality to measure and manage performance of the service provider; where there is poor performance necessary steps are to be taken promptly to avoid loss of resources such as valuable time and budget.
- Performance assessment of each service provider is performed by the relevant user department which is expected to provide to supply chain management (SCM) Unit monthly service providers report.
- Necessary action which includes the termination of contract or cancellation of order is taken when a service provider fails to perform duties as per SLA's key performance areas.

External service providers performance was submitted to the PMS Unit on a quarterly basis in order to ensure that each external service provider is assessed on a quarterly basis with an intention of improving each service provider's performance. The table below illustrates the assessment criteria to be applied for the purpose of these performance assessments.

Table 3.1: Assessment Criteria - External Service Providers

Category	Explanation
Good (G)	The service has been provided at acceptable standards and within the time frames stipulated in the SLA / Contract
Satisfactory (S)	The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA / Contract
Poor (P)	The service has been provided below acceptable standards
Not Applicable (N/A)	No services provided by service provider during the period under review

CHAPTER 4 – CONCLUDING REMARKS

In the year under review, 36 out of the 60 planned targets were achieved, resulting in a 60% achievement rate. This represents a stagnation from the previous financial year's achievement rate of 60% (36 targets met of the planned 60).

4.1 Municipal Transformation and Institutional Development (MTID)

Achievement Rate: 100% (4/4 KPIs achieved): Despite a 100% achievement rate, the KPA's performance is weakened by the fact that only four indicators were planned for the year — excluding several key transformation areas such as ICT, HRD, institutional efficiency, and capacity building. This presents an incomplete view of organisational performance.

Way Forward:

- Strengthen performance planning by including a full spectrum of institutional indicators.
- Ensure the SDBIP reflects all key areas of transformation, including ICT governance, staff development, policy implementation, and organisational culture.

4.2 Basic Service Delivery (BSD)

Achievement Rate: 54.55% (6 out of 11 KPIs achieved): Service delivery continues to face operational blockages, particularly related to procurement delays, weak contractor performance, and infrastructure project rollovers. Delays in the implementation of capital projects such as Goedehoop Bulk Water supply and the Utrecht Water Treatment Plant reflect challenges in project readiness and execution.

Way Forward:

- Fast-track SCM processes and enforce consequence management for project delays.
- Improve internal coordination and strengthen project implementation monitoring frameworks.
- Enhance technical readiness assessments during IDP and SDBIP planning stages.

4.3 Local Economic Development (LED)

Achievement Rate: 88.89% (8 out of 9 KPIs achieved): The high achievement rate masks a critical issue: there is insufficient funding for long-term structured progressive economic transformation or sustainable job creation. Most of the performance relates to short-term, low-impact activities like EPWP jobs and item handovers.

Way Forward:

- Reposition LED strategy toward economic growth, enterprise development, and investment attraction.
- Integrate sustainability and value-creation indicators into the LED performance framework.
- Build partnerships with private sector and provincial agencies to scale impact.

4.4 Municipal Financial Viability and Management (MFVM)

Achievement Rate: 40.00% (6 out of 15 KPIs achieved): This KPA reflects deep-rooted financial sustainability concerns. Key financial health indicators such as collection rate, cost coverage, liquidity and UIFWEs were not met. Budget implementation also underperformed, with expenditure not aligned to projections, and indications of control weaknesses.

Way Forward:

- Fully implement the Revenue Enhancement Strategy and Credit Control Policy.
- Strengthen alignment with MFMA Circular 71 norms and embed them into performance monitoring.
- Improve budget accuracy and enhance in-year financial reporting discipline.
- Provide financial management training for relevant officials and councillors.

4.5 Good Governance and Public Participation (GGPP)

Achievement Rate: 61.11% (11 out of 18 KPIs achieved): While this KPA reflects moderate performance, many of the achieved indicators are activity-based (e.g. events, awareness campaigns) rather than outcome-based. Significant statutory processes were not always met.

Way Forward:

- Elevate the functionality and independence of oversight structures such as MPAC and Audit Committee.
- Include indicators that reflect improved accountability, audit outcomes, and community feedback.
- Development of Standard Operating Procedures (SoPs) coupled with event programme evaluation feedback.

4.6 Spatial Planning and Environmental Management (SPEM)

Achievement Rate: 33.33% (1 out of 3 KPIs achieved): This KPA remains underutilized for strategic forward planning and compliance due to insufficient funding, with only three indicators included in the SDBIP. Furthermore, the limited authority and shortage of human capital limits the ability to track impact on crosscutting issues.

Way Forward:

- Expand this KPA's performance framework to include key indicators aligned to the NDP and District Development Model.
- Improve institutional coordination between planning, environmental management, and performance units.
- Monitor compliance with Spatial Planning Land-Use Management Act (SPLUMA), National Environmental Management Act (NEMA), and other relevant legislation more rigorously.

Overall Institutional Way Forward

Although Amajuba District Municipality achieved 60% of its planned annual targets due to various challenges, including systemic flaws in its planning, sustainability of outputs, and alignment with developmental priorities. The municipality must move from activity-based compliance toward impact-driven delivery.

Key institutional steps include:

- Revise key performance indicator design
- Strengthen leadership and capacity
- Embed data quality and oversight culture

Assessment of the external service providers: A total of 37 external service providers were assessed during the review period. Of these, 29 were rated as good performers, 6 demonstrated satisfactory performance (including one operating without a formal Service Level Agreement), and 2 were found to have performed poorly.

Performance improvement recommendation: In order to strengthen overall service delivery performance, it is recommended tot:

- Formalise contractual arrangements — Ensure that all service providers operate under duly signed and enforceable Service Level Agreements (SLAs) to establish clear performance expectations and accountability.
- Promote proactive engagement — Maintain regular performance review meetings and open communication channels to identify and resolve operational challenges in a timely manner.
- Address underperformance — Implement targeted corrective action plans for providers with poor performance, including root cause analysis, performance improvement programmes, and closer oversight. Where corrective actions fail, initiate contract termination in line with contractual provisions and procurement regulations.
- Enhance contract management — Strengthen contract management processes and monitoring mechanisms to track service delivery progress and compliance with agreed standards.

The municipality's ***overall organisational performance stands at 60%*** of planned targets achieved, indicating room for improvement across departments. Establishing a robust, ongoing performance monitoring culture at the departmental level, alongside a more structured evaluation system, will be essential in promoting accountability, responsiveness, and service delivery excellence moving forward.

REPORT SIGN-OFF

I, Mr TS Buthelezi, in my capacity as the Acting Municipal Manager of Amajuba District Municipality hereby declare that the content contained in this report is complete and accurate to the best of my knowledge. I also confirm that this is a true reflection of performance of Amajuba District Municipality as at the year ended 30 June 2025.

Mr TS Buthelezi
Acting Municipal Manager

LIST OF REFERENCES

In compiling this report, the following municipal documents and local government legislations were used for reference purposes:

- Integrated Development Plan 2023/2024 and 2024/2025
- Performance Management System Policy and Framework Review 2024/2025
- Service Delivery and Budget Implementation Plans 2024/2025
- Annual Report and Annual Performance Report 2022 - 2024
- Municipal Structures Act of 1998
- Municipal Systems Act 32 of 2000
- Municipal Planning and Performance Regulation of 2001
- Municipal Finance Management Act 56 of 2003
- Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006
- Municipal Systems Amendment Act of 2011
- Municipal Finance Management Act Circular 63 of 2012