Report of the auditor-general to Limpopo Provincial Legislature and the Municipal Council on Vhembe District Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of Vhembe district municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, except for possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Vhembe District Municipality as at 30 June 2023, and its financial performance and cash flow for the year then ended in accordance with Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA), and the Division of Revenue Act 5 of 2022 (DoRA).

Basis for qualified opinion

Revenue from exchange transactions

3. Service charges for revenue was not recognised as required by GRAP 9, *Revenue from exchange transactions*. Properties were identified for which service charges were not billed and recorded. I was unable to determine the full extent of the understatement of service charges, stated at R746 265 505 (2022: R515 078 064) in note 16 to the financial statements, and related receivable from exchange transactions, stated at R2 050 323 486 (2022: R1 202 052 681) in note 4 to the financial statements, as it was impracticable to do so. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

4. The municipality did not account for revenue in the correct accounting period in accordance with GRAP 9, *Revenue from exchange transactions*. Revenue relating to services that were rendered in the previous accounting periods was incorrectly recognised in the current accounting period. I was unable to determine the full extent of the overstatement of service charges in the current year and understatement in the prior year, stated at R746 265 505 (2022: R515 078 064) in note 16 to the financial statements, and related receivable from exchange transactions, stated at R2 050 323 486 (2022: R1 202 052 681) in note 4 to the financial statements, as it was impracticable to do so. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

5. The municipality did not recognise service charges in accordance with GRAP 9, *Revenue from exchange transactions.* The municipality did not charge consumption units in accordance with

the approved tariffs. Consequently, the revenue from exchange transaction and receivables from exchange transactions is overstated by R51 356 337(2022: R26 198 697). Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

6. The municipality did not recognise service charges in accordance with GRAP 9, *Revenue from exchange transactions.* The municipality accounted for service charges revenue based on estimated consumption whereas actual consumption readings were taken. Consequently, revenue from service charges is understated. I was unable to determine the full extent for understatement of service charges revenue stated at R746 265 505 (2022: R515 078 064) in note 16 to the financial statements as it was impracticable to do so. Additionally, there was an impact on the surplus for the period and on the accumulated surplus.

Context for opinion

7. 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.

8. 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.

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

Emphasis of matters

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

Restatement of corresponding figures

11. As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2023.

Litigation and claims

12. With reference to note 41 to the financial statements, the municipality is the defendant in a lawsuit. The municipality is opposing the claim, the ultimate outcome of the matter could not be determined and no provision for any liability that may result was made in the financial statements.

Material losses – water

13. As disclosed in note 40 to the financial statements, material water losses of R363 519 232 (2022: R409 593 780) was incurred, which represents 45% (2022: 62%) of total water purchased.

Material impairments – trade and other receivables

14. As disclosed in note 31 to the financial statements, a material loss of R 831 886 357 (2022: R 565 487 086) was incurred as a result of impairment in respect of doubtful receivables.

Underspending of the conditional grant

15. As disclosed in note 14 to the financial statements, the municipality materially underspent on conditional grants by R41 416 471(2022:R12 962 123)

Other matter

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

Unaudited disclosure notes

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

Unaudited supplementary schedules

18. The supplementary schedule set out on pages xx to xx does not form part of the financial statement and is presented as additional information. I have not audited this schedule and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

19. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with Standards of GRAP and the requirements of the MFMA and DoRA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

20. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

21. 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.

22. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

23. 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.

24. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2023 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
Service delivery and infrastructure development	XX - XX	To ensure quality services to community by improving current infrastructure to sustainable levels and promote environmental management system

25. 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.

26. 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.
- 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.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

28. The material findings on the reported performance information for the selected key performance area are as follows:

Service delivery and infrastructure development

Various indicators

29. I was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information and method of collection or that related systems and processes were established to enable consistent measurement and reliable reporting of the actual achievement of the indicators listed below. This was due to a lack of measurement definitions and processes. I was unable to confirm that the indicator is well-defined and verifiable by alternative means. As a result, I was unable to audit the reliability of the achievements reported in the annual performance report of the listed indicators.

No	Output indicator
1	% in progress on construction of Malamulele West RWS project by 30 June 2023
2	% in progress on construction of defects and snag list on the Vuwani to Middle Letaba project by 30 June 2023
3	% in progress on Matswale sewer line upgraded project by 30 June 2023
4	% in progress on replacement of Sewer pipeline- Musina project by 30 June 2023
5	% in progress on the development of Mbodi village borehole project by 30 June 2023
6	% in progress on the development of Domboni la Folovhodwe borehole project by 30 June 2023
7	% Progress on the Construction of internal reticulation at Nngwekhulu project by 30 June 2023
8	% in progress on construction of Mukula water supply and storage project by 30 June 2023
9	% in progress on development of Tshivhuyuni Lusaka borehole project by 30 June 2023
10	% in progress on the development of Tshaulu village borehole and associated infrastructure project by 30 June 2023

No	Output indicator
11	% in progress on the development of Tshikundamalema borehole and associated infrastructure project by 30 June 2023
12	% in progress on development of borehole and associated infrastructure project at Mtititi
13	% in progress on Refurbishment of boreholes project at Sinthumule Kutama by 30 June 2023
14	% in progress on construction of New Xigalo water supply project by 30 June 2023
15	% in progress on construction of Chavani and Surrounding Villages Bulk- Pipeline and Water reticulation project by 30 June 2023
16	% Progress on work done on the Xikundu Mhinga Bulk Water Supply project by 30 June 2023
17	% in progress on refurbishment of boreholes project at Makhado by June 2023
18	% in progress on construction of Vuwani to Vyeboom reservoir project by 30 June 2023
19	% progress on work done on the increasing the capacity of Vondo WTW and upgrading of water related infrastructure project by 30 June 2023
20	% in progress on construction of Mutshedzi RWS upgrade project by 30 June 2023
21	% in progress on construction of Vondo RWS: Murangoni, Maranzhe, Vondo la ntha, Vondo la fhasi, Tshikunda and Matondoni project by 30 June 2023
22	% in progress on construction of Mashau and surrounding villages BWS & Ret project by 30 June 2023
23	% in progress on construction of water Supply and Bulk Water Reticulation of Ngwenani Themeli, Ngulumbi, Ngovhela, Madamalala, Phindula project by 30 June 2023
24	% in progress done on construction of Xikundu/Mhinga water reticulation project by June 2023
25	% in progress made in construction on Block A Miluwani and Tshidauluwater reticulation project by 30 June 2023

Number of VIP toilets constructed in Vhembe district wide

30. I could not determine if the reported achievement was correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievement might be more or less than what is reported and was not reliable for determining if the target had been achieved.

No	Output indicator	Planned target	Reported achievement
1	Number of VIP toilets constructed in Vhembe district	958	406

Other matters

I draw attention to the matters below:

Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides explanations for measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

Material misstatements

31. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for KPA 1: Service delivery and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

Report on compliance with legislation

32. 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.

33. 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.

34. 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 [type of auditee], 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.

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

Annual financial statements, performance and annual reports

36. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA.

    Material misstatements of liabilities and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

37. The oversight report adopted by the council on the 2021/22 annual report was not made public, as required by section 129(3) of the MFMA

Revenue management

38. An adequate management, accounting and information system which accounts for revenue and debtors was not in place, as required by section 64(2)(e) of the MFMA

39. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2) (f) of the MFMA.

40. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2) (b) of the MFMA.

Expenditure management

41. Reasonable steps were not taken to prevent irregular expenditure amounting to R81 604 955 as disclosed in note 50 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by contravention of supply chain management (SCM) regulations. Irregular expenditure amounting to R11 143 742 was incurred on Vondo water treatment works.

42. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R2 565 578, as disclosed in note 49 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by Interest on overdue accounts. .

43. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R190 013 245, as disclosed in note 48 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by inadequate budgeting on non-cash items.

Procurement and contract management

44. Awards were made to providers who were in the service of other state institutions in contravention of MFMA 112(1) (j) and SCM regulation 44.

Other information in the annual report

45. The accounting officer is responsible for the other information included in the annual report, which includes the audit committee’s report. The other information referred to does not include the financial statements, the auditor’s report and those selected key performance area presented in the annual performance report that have been specifically reported on in this auditor’s report.

46. 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.

47. 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.

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

Internal control deficiencies

49. 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.

50. 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 the annual performance report and the material findings on compliance with legislation included in this report.

51. The accounting officer and management did not perform adequate reviews on the financial and performance reporting and compliance with laws and regulations.

52. The basic accounting principles of daily and monthly accounting and reconciling of transactions were not adequately implemented and monitored by management.

53. The accounting officer did not review the financial statements and the annual performance report for accuracy and completeness.

54. Internal controls for monitoring compliance with laws and regulations were ineffective as they did not detect and prevent instances of non-compliance with applicable laws and regulations.

55. The internal control monitoring mechanisms of the municipality were not functioning optimally, as many control weaknesses are only discovered during the audit of the financial statements and performance information.

Material irregularities

56. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Prohibited Investment with a mutual bank

57. Vhembe district municipality made investments since 12 of February 2015 with the Venda Building Society Mutual Bank (VBS). At the time (12 March 2018) of placing VBS under curatorship, the municipality had investments amounting to R316 385 542, including interest.

58. The district municipality received a letter from the curator of VBS on 12 March 2018 informing them that VBS mutual bank is under curatorship and that all deposits with VBS are frozen until such time the bank is in a position to repay these deposits.

59. In terms of regulation 6 of the municipal investment regulations, a municipality may only invest deposits with banks registered in terms of the Banks Act 94 of 1990 (Bank Act). The district municipality did not comply with municipal investment regulations, as VBS Mutual Bank is not registered in terms of the Banks Act.

60. This non-compliance is likely to result in a financial loss for the municipality if the amount invested is not recovered in full from the estate of VBS.

61. The accounting officer was notified of the material irregularity on 19 October 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter.

62. The following actions have been taken to address the material irregularity:

- Council suspended the accounting officer and the chief financial officer with immediate effect on 30 October 2018. The suspension was with full pay for a period of three months ending 30 January 2019.
- Disciplinary steps were taken against the accounting officer and the chief financial officer and both their services were terminated after settlement agreements entered into on 18 February 2019 and 27 February 2019 respectively.
- The municipality lodged a claim with the curator as a creditor on 6 November 2019 in the Polokwane High Court before the master of the high court.
- A follow up was made with management on 8 September 2022, wherein they responded on 13 September 2022.
- Based on management's response and corroboration of evidence, it was confirmed that municipality received R22 146 983 from VBS curators on 4 February 2022. The municipality continues to be registered with the curator for furthered recoveries.
- The DPCI indicated during April 2023 that it would consider referring amounts that are not recovered through the liquidation process to the Asset Forfeiture Unit, for further recovery.
- I received a written submission on the actions taken to address the MI on 28 January 2022. I considered the representations made and the substantiating documents provided and have concluded that appropriate actions have been taken to address the material irregularity. Therefore, I will not pursue this matter any further.''

Revenue due to municipality not calculated on a monthly basis

63. The municipality did not read water meters for the purposes of revenue billing on a monthly basis. This resulted in a significant number of accounts being without variables to enable estimations. The district then estimated consumption for the affected consumers to be zero. This resulted in non-compliance with section 64 (2)(b) of the MFMA which states that the accounting officer must take all reasonable steps to ensure that revenue due to the municipality is calculated on a monthly basis.

64. The non-compliance resulted in a likely material financial loss. Further losses are likely to occur, as the municipality does not perform monthly readings.

65. The accounting officer was notified of the material irregularity on 2 August 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter. The following actions have been taken to address the material irregularity:

    - The municipality requested the Development Bank of South Africa (DBSA) to assist with a revenue enhancement strategy, which will focus on database cleansing, tariff review and structuring along with audit of water meters and DBSA agreed to assist the municipality through a grant and both parties have entered into a grant agreement signed on 19 April 2021. The DBSA has appointed service providers to assist with meter reading and data cleansing. The process started in May 2022 and is valid for 18 months and it was approved for an extension until 30 November 2023.

    - As at 1 November 2023, an engineering service provider, appointed with the assistance of the Development Bank of South Africa (DBSA), have physically audited 16 050 properties in Thulamela to gather information on the indigent register, and the status of buried water meters so that the municipality can start billing as well as fixing pipe leakages in Thulamela to reduce water losses.
    - The municipality established revenue units in all the local municipalities on 21 November 2023. The decentralized units will deal with all revenue value chain functions.

    - In January 2023, the municipality appointed nine permanent officials in the revenue section to improve capacity.

    - Two of the financial management programme interns were allocated to assist revenue personnel to capture the meter readings and billing from 1 April 2023 for a period of 24 months.

    - Three water meter reading service providers were appointed with effect from July 2023 at the following local municipalities Thulamela, Makhado and Collins Chabane for a period of 36 months from July 2023.

    - The municipality procured 6 750 conventional water meters, 2 100 prepaid meters and 3 600 smart meters, 3 750 volumet+D20ric meters, 63 level indicators (gauges), 3 250 additional conventional meters have been advertised during the period between April 2023 to August 2023 to assist in addressing meter challenges in time.

- The municipality developed standard operating procedures (SOPs) for meter reading as per National Treasury generic SOPs which is awaiting council resolution.

66. I will follow up the material irregularity during my next audit.

Auditor General

Polokwane

30 November 2023

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor’s report

The annexure includes the following:

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

Auditor-general’s responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priority 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 [consolidated and separate] 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 safe

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
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), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)

Legislation	Sections or regulations
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 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: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 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)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Explanatory information and examples

General