

Report of the auditor-general to the Eastern Cape Provincial Legislature and council on Raymond Mhlaba Local Municipality

Report on the audit of the consolidated and separate financial statements

Qualified opinion

1. I have audited the financial statements of the Raymond Mhlaba Local Municipality set out on pages xx to xx, which comprise the consolidated and separate statement of financial position as at 30 June 2024, consolidated and separate 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 consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for the qualified opinion section of this auditor's report the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Raymond Mhlaba Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the South African standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and Division of Revenue Act 5 of 2023 (Dora).

Basis for qualified opinion

Payables from exchange transactions

3. Payables were not accounted for in terms of GRAP 1, *Presentation of financial statements*. The creditors' statements do not agree with the amount recorded in the general ledger. Consequently, I was unable to determine the full extent of the understatement of payables from exchange transactions. Additionally, there was an impact on the general expenditure.
4. I was unable to obtain sufficient appropriate audit evidence that payables from exchange transactions for the current year had been properly accounted for, due to the status of the accounting records. I was unable to confirm these payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments to payables from exchange transactions stated at R234,43 million in note 16 to the financial statements were necessary.

Irregular expenditure

5. The irregular expenditure incurred during the current financial year under audit and related information on irregular expenditure were not included in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. Expenditure was incurred in contravention of the

supply chain management requirements, resulting in irregular expenditure. I was unable to determine the full extent of the irregular expenditure that occurred during the financial year, as it was impracticable to do so. I was unable to determine whether any further adjustments were necessary to the irregular expenditure in note 58 stated at R27,33 million (2023: R18,52 million) in the financial statements.

Net cash flows from operating activities

6. Net cash flows from operating activities were not correctly prepared and disclosed, as required by GRAP 2, *Cash flow statements*. This was due to multiple errors in determining cash flows from operating activities. I was not able to determine the full extent of the errors in the net cash flows from operating activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments were necessary to cash flows from operating activities as stated at R87,50 million (2023: R46,43 million) in the financial statements.

Corresponding figures – net cash flows from investing activities

7. Net cash flows from investing activities were not correctly prepared and disclosed, as required by GRAP 2, *Cash flow statements*. This was due to multiple errors in determining cash flows from investing activities. I was not able to determine the full extent of the errors in the net cash flows from investing activities, as it was impracticable to do so. Consequently, I was unable to determine whether any adjustments were necessary to cash flows from investing activities as stated at R51.02 million in the financial statements.

Context for opinion

8. 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 consolidated and separate financial statements section of my report.
9. 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.
10. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Material uncertainty relating to going concern

11. I draw attention to the matter below. My opinion is not modified with respect to this matter.
12. I draw attention to note 56 to the financial statements, which indicates that the municipality takes more than 30 days to pay creditors due to collection days on debtors that are more than 90 days. As stated in note 56, these events or conditions, along with the other matters as set forth in note

56, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matter

13. I draw attention to the matter below. My opinion is not modified with respect to this matter.

Electricity losses

14. As disclosed in note 44 to the consolidated and separate financial statements, material electricity losses of R9,67 million (2023: R13,36 million) were incurred which represent 21% (2023: 17%) of the total electricity purchased. This was due to non-technical losses.

Other matter

15. I draw attention to the matter below. My opinion is not modified with respect to this matter.

Unaudited disclosure note

16. 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 consolidated and separate financial statements. These disclosure requirements did not form part of the audit of the financial statements and accordingly, I do not express an opinion on it.

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

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

18. In preparing the consolidated and separate 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 consolidated and separate financial statements

19. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high

level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated and separate financial statements.

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

Report on the audit of the annual performance report

21. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected development priorities presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

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

Development priority	Page numbers	Purpose
Basic services delivery and infrastructure	xx-xx	To provide basic service delivery to the community

23. I evaluated the reported performance information for the selected development priority against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery of its mandate and objectives.

24. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time-bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any measures taken to improve performance.

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

26. I did not identify any material findings on the reported performance information for the development priority.

Other matter

27. I draw attention to the matters below.

Achievement of planned targets

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

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

Basic service delivery

<i>Targets achieved: 76%</i>		
<i>Budget spent: 100%</i>		
Key indicators not achieved	Planned target	Reported achievement
Number of Community halls renovated	1	0
Number of renovated fire base	1	0
Number of Functional Vehicle testing stations	1	0
Number of updated Land Audit Report	1	0
Number of road markings maintained	50	14

Material misstatements

30. I identified material misstatements in the annual performance report submitted for auditing. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on the audit of compliance with legislation

31. 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.
32. 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.
33. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
34. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements and annual reports

35. 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.
36. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and/or the supporting records were provided subsequently, but the uncorrected material misstatements and/or supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Asset management

37. An effective system of internal control for assets (including an asset register) was not in place, as required by sections 63(2)(c) of the MFMA.

Procurement and contract management

38. Some of the goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of

supply chain management (SCM) regulations 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

39. The preference point system was not applied to some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act 5 of 2000. Similar non-compliance was also reported in the prior year.
40. Some of the contracts and quotations were awarded to bidders based on preference points that were not allocated and/or calculated in accordance with the requirements of section 2(1)(a) of the Preferential Procurement Policy Framework Act and its regulations. Similar non-compliance was also reported in the prior year.
41. Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e), the code of conduct for councillors issued in terms of the Municipal Systems Act and the code of conduct for staff members issued in terms of the Municipal Systems Act.
42. SCM officials and/or other SCM role players who or whose close family members or partners or associates had a private or business interest in contracts awarded by the municipality participated in the process relating to that contract, in contravention of SCM regulation 46(2)(f).

Consequence management

43. Some of the irregular expenditure incurred by the municipality and/or municipal entity were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA, municipal budget and reporting regulation 75(1).

Expenditure management

44. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
45. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The expenditure disclosed does not reflect the full extent of the irregular expenditure incurred or the full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM reg 28(1)(c) and Preferential Procurement reg. 4(1)-(4).
46. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R10,67 million, as disclosed in note 59 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 non-compliance with section 65(2)(e) of the MFMA.

Strategic planning and performance

47. The performance management system and related controls were not maintained or were inadequate as it did not describe how the performance planning, monitoring, measurement, review, reporting and improvement processes should be conducted and/or organised and/or managed, as required by municipal planning and performance management regulation 7(1).

Other information in the annual report

48. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the consolidated and separate financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.
49. My opinion on the consolidated and separate 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.
50. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the consolidated and separate financial statements and the selected development priorities presented in the annual performance report or my knowledge obtained in the audit or otherwise appears to be materially misstated.
51. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.
52. If, based on the work I performed, I conclude that there is a material misstatement in this other information, I am required to report this; however, I have nothing to report in this regard.

Internal control deficiencies

53. 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.
54. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and/or the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

- lack of carrying out year-end reporting and monitoring, which resulted in additional significant material misstatements in the financial statements when compared to the prior year
- inadequate monitoring of compliance with legislation applicable to the municipality concerning irregular expenditure
- lack of independent reviews and reconciling of accounting records such as supporting schedules to the financial statements
- inadequate reviews and performing timely and accurate year-end reporting and monitoring.

Material irregularities

55. 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

Penalties paid due to late payment of third-party payments

56. The municipality did not pay employees' tax, deducted from employees' salaries and wages to the South African Revenue Service (SARS) within seven days after the end of the month during which the amount was deducted. This was in contravention of section 2(1) of the fourth schedule of the Income Tax Act 58 of 1962 and section 210 of the Tax Administration Act 28 of 2011. The municipality was required to pay penalties to SARS due to the non-compliance with the Income Tax Act. This non-compliance resulted in a material financial loss to the municipality of R1,8 million, as disclosed in the annual financial statements.

57. I notified the accounting officer of the material irregularity on 14 January 2022 and invited them to make a written submission on the actions that had been or would be taken to address the matter. The accounting officer investigated and instituted consequence management against the officials identified. The accounting officer further concluded that it was impractical to recover the loss and referred the matter to the municipal public accounts committee.

58. The accounting officer committed to the following actions in response to the material irregularity:

- performing an investigation to determine whether any employee was responsible for the circumstances that led to the material irregularity
- the accounting officer, in their response, indicated to replace the individual in the HR section; in addition, more internal controls such as additional verifications by each director as well as verification checks done by the payroll section before payments are to be made related to payroll.

59. The accounting officer provided a progress report on 7 April 2022 on the implementation of the abovementioned planned actions with supporting documentation to resolve the material irregularity.
60. The accounting officer investigated and instituted consequence management against the officials identified. The accounting officer further concluded that it was impractical to recover the loss and referred the matter to Municipal Public Accounts Committee (MPAC).
61. The MPAC committee concluded its investigation on the penalties paid to SARS on 31 May 2023 and recommended that the penalties be written off by the council. The penalties were subsequently written off.
62. The accounting officer had taken the responsible person out of payroll and allocated a new person who was seconded. An acting manager was hired to manage this section. The municipality had not incurred any further delays relating to late submissions of third-party payments.
63. During the year under review, the municipality did not incur any significant interest and penalties relating to late payment to SARS.
64. Based on my evaluation of the information and evidence provided, the steps taken by the accounting officer are appropriate and the material irregularity is, therefore, resolved.

Interest incurred on Eskom account not paid within 30 days

65. The municipality incurred interest on Eskom invoices from 1 July 2019 to 30 March 2020 that were not paid within 30 days. This constitutes non-compliance with section 65(2)(e) of the MFMA, which requires the accounting officer to take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement unless prescribed otherwise for certain categories of expenditure.
66. This non-compliance resulted in material financial losses of R19,6 million, as disclosed in note 54 to the financial statements.
67. I notified the accounting officer of the material irregularity on 14 January 2022 and invited them to make a written submission on the actions that had been or would be taken to address the matter. The accounting officer made written submissions, and I considered the representations made and the documents submitted. I concluded that appropriate actions were not being taken to address the material irregularity.
68. I recommended that the accounting officer take the following actions to address the material irregularity, which should be implemented by 30 June 2023 with progress reports every two months:
 - Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

- Take appropriate action to implement the existing financial plan to address the municipality's financial problems that are preventing it from paying Eskom within 30 days, as required by MFMA section 65(2)(e). The financial plan should include realistic timeframes and milestones to be achieved and include a minimum strategy to:
 - implement the revenue enhancement interventions to increase revenue collection
 - efficiently manage the municipality's available resources to optimise and reduce costs by eliminating wastage while obtaining value in respect of all costs incurred.

69. On 5 April 2023 and 8 June 2023, the accounting officer provided progress reports on the actions taken to implement the recommendations. I evaluated these progress reports and substantiating documentation. As some of the actions taken to address the material irregularity were still in progress and not yet completed, I granted the accounting officer an additional six months, until 1 July 2024, to implement the recommendations. A progress report was to be provided on 1 April 2024 regarding the implementation of the recommendations.

70. The accounting officer provided a progress report and the final report on 10 April 2024 and 8 August 2024 on the implementation of the above recommendations with supporting documentation to resolve the material irregularity.

71. The municipality's application for debt relief was approved on 29 November 2023; the approval was subject to the municipality complying with the conditions and requirements of the debt relief programme.

72. The Eskom debt relief certificate from Provincial Treasury indicated that the municipality is 93% compliant with the conditions and requirements of the debt relief programme in June 2024, which was a gradual increase from 71% in November 2023, and the accounting officer further highlighted the commitment by the municipality to comply 100%.

73. The interest incurred until 31 March 2023 is subject to being written off based on the debt relief programmes that were approved as per the letter dated 24 November 2023 for the municipality to participate in.

74. Eskom is being paid within 30 days for its current account and the municipality is not incurring and paying further interest.

75. The municipality appointed a service provider for revenue enhancement on 29 November 2021. This service provider had done the audit of meters, and the report was submitted to the municipality. The finding included meter tempering and illegal connections, and this has been submitted to the technical unit for disconnections.

76. The municipality decided to apply for participation in a transversal contract on 25 July 2024 for smart metering as the municipality had delays in procurement processes to appoint a service provider who would implement the credit policy and collect prepaid sales at Adelaide and Bedford. The municipality is taking these areas back for their control and monitoring.

77. The municipality had been applying the credit policy by disconnecting clients who have not paid and unblocking those who have paid for the period ending 30 June 2024. I evaluated the report of actions taken by the municipality and noted that the municipality is implementing and enforcing the actions outlined in the credit control policy.
78. The accounting officer provided revenue quarterly reports, detailing the target and achievements for each quarter. The collection rate by the municipality per quarter has improved, which proves the interventions are effective. Further to this, the municipality is in the process of procuring smart meters which will prevent tampering with meters.
79. The municipality's budget is currently funded due to the municipality managing their finances well as well as the approval of the debt relief. This means that the municipality is effectively using available resources which will assist the municipality to be financially sustainable and able to service its debts when it becomes due.
80. The non-payment of Eskom was due to the municipality facing cashflow difficulties after the amalgamation, thus no official was responsible.
81. All actions within the accounting officer's control to prevent re-occurrence have been implemented.
82. Based on my evaluation of the information and evidence provided, the steps taken by the accounting officer are appropriate and the material irregularity is, therefore, resolved.

Auditor General.

East London

09 December 2024



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 consolidated and separate financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the consolidated and separate] financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	<p>Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii)</p> <p>Sections 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f)</p> <p>Sections 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a)</p> <p>Sections 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)</p>
MFMA: Municipal Budget and Reporting Regulations, 2009	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	<p>Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e)</p> <p>Regulations 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i)</p> <p>Regulations 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)</p>
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 5 of 2022	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)

Legislation	Sections or regulations
Municipal Systems Act 32 of 2000 (MSA)	<p>Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2)</p> <p>Sections 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)</p> <p>Parent municipality with ME: Sections 93B(a), 93B(b)</p> <p>Parent municipality with shared control of ME: Sections 93C(a)(iv), 93C(a)(v)</p>
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	<p>Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2)</p> <p>Regulations: 11(1), 11(2)</p>
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)