PORT ST JOHNS
MUNICIPALITY
OUR HERITAGE, OUR PEOPLE

ANNUAL REPORT
2024/2025

Contents

CHAPTER 1: MAYORS' FOREWORD AND EXECUTIVE SUMMARY

1.1. Mayor's Foreword

In accordance with section 127(2) of the Local Government Municipal Finance Management Act (56 of 2003 as amended), I submit this annual report on behalf of the council for the financial year ended June 2025. According to this clause, the mayor of a municipality must within seven months after the end of the financial year, table the Annual Report of the municipality and of a municipal entity under the sole or shared control to the municipal council within seven months of the financial year. This report describes how well the council performed in meeting the goals it established for the financial year under review. The five-year Integrated Development Plan which is our service delivery bible has served as the foundation for the goals.

I have a privilege to present to the Port St Johns stakeholders, the annual report with the detail of activities performed during the reporting period 01 July 2024-30 June 2025. Indeed, Port St. Johns Municipality has come a long way to reach its current state, and we continue to make decisions and take meaningful actions by working together. Our strategic vision is still to provide our people with services in an efficient, consultative, and well-coordinated manner and therefore the alignment of the municipal strategic direction to those of the National and Province is crucial.

The goals pertaining to the five key performance areas that are relevant to local government have been considerably met. Even though the municipality has dropped the performance, we want to recognize all the strides made in enhancing our road system and all the complete infrastructure improvements.

This year the municipality has not done good on roads construction as we planned 39.8 km and only achieved 18,3km which is Goqwana access road 4.5km, Ludalasi Access road 6.8km and Mbokazi access road 7km. This is poor performance compared to roads construction of the previous financial year.

On surfaced roads, we planned 6.584km and 0.450km was achieved, also poor performance was noted on the surfaced road. On Disaster management 21.6km was planned and, 15.5km was achieved which is 12km of Ntlantsana access road and bridge and 2.9 km Nonyevu access road. The incomplete projects have been moved to 2025/2026 financial year for completion.

On gravel road maintenance, the municipality had planned 340 km and we achieved 325.6km across all wards through clustering was done. Four bridges were rehabilitated and completed at Ntlantsana x2 bridges, Ezintakumbeni – Dubulweni and Gabelana – Diphini bridges. Only 2 community halls at wards 3&16 were constructed as opposed to 4 that were planned. Other community halls are still under construction and are expected to be completed in the next financial year. The connection of 900 households against 1202 to electricity has been completed and the remaining households will be completed in the next financial year. The high mast lights that were not constructed this financial year will be done in the next financial year. On the infrastructure grants, the expenditure was 76%, the underperformance was due to non-spending of INEP grant.

On good governance we would like to mention that we have appointed the senior managers that were vacant and we hope that this will improve performance. The CEO for the PSJ Development Agency was appointed after a long-term vacancy. The council and its committees have been fully functional and attended to all compliance issues as per the regulations that guide the functionality of municipalities. With regards to audit opinion the municipality has been achieving the qualified audit opinion for the past three years. Our aim is to improve from qualification to an unqualified audit opinion. The Council will continue to support the management in ensuring that the issues raised during the audit are being attended to ensure that they get resolved.

The municipality will continue its visibility to our communities to ensure accountability as it is mandated by the Constitution. The continued support of other spheres of government and private institutions has meaningfully changed the lives of our people. The Municipality is in the center of providing services to the communities it is intended to serve because of its proximity to the populace. We shall continue to strive to provide services for a better life for all. Maintaining our distinctive natural resources could boost tourism and make our destination choice a Jewel of the Wild Coast.

The presented performance in this report has not come without challenges but to reach a well-thought-out direction, we should continue to provide guidance on how to address our issues in collaboration with the people of Port St. Johns Local Municipality. The effort put by our administration in collaboration with stakeholders to better the lives of our communities has not come unnoticed.

Yours in developmental local government

Cllr. C.S. Mazuza

The Mayor

1.2. EXECUTIVE SUMMARY

Port St Johns local Municipality is a small entity that relies on grants as provided by the national and provincial government institutions. The municipality's powers and functions are aligned to Section 152 d of the Constitution of the Republic which emphasizes the provision of basic services to the communities. The municipality is therefore responsible for the provision of access roads, waste management, the building and maintenance of public amenities, provision of electricity through INEP grant, public safety, spatial planning and local economic development. The financial management according to the Municipal Finance Management Act and applicable circulars of the Act.

The municipality adopted the IDP which is set as a guide and approach to ensure that services provided to the communities are in line with the needs on the ground. The process of IDP adoption is a participatory process aligned with the District Development Model which includes the participation of departments that operate in municipal jurisdiction to ensure the alignment of planning and reporting thereof.

During the year 2024/2025 the municipality achieved 52% of the total annual performance. This reflects poor performance for PSJ municipality, and a slight improvement compared to the previous financial year, which was 51%. Some of the challenges were related to the vacancies of Corporate Services Senior Manager and the Chief Financial Officer.

Basic Service delivery accounts for 14 indicators and a number of 3 indicators were achieved, which is a total of 21.4%. Local Economic Development and Spatial Planning achieved 55% of all indicators, the total number of indicators was 18 and the total achieved was 10. Municipal Transformation and organizational development achieved 35% of its total indicators. Financial viability and management achieved 71% of its indicators and Community services section achieving 69%.

Our primary goal in the coming integrated development plan review is to improve each of the key performance areas. We have received positive results for the MTREF Budget assessment for the reporting financial year. This is due to the strategies put in place and the continuous skills development provided by the key personnel.

The municipality has a low revenue base and low collection due to its rural nature. However, there are plans in place including expanding the revenue base and implementation of strategies to improve collection.

The bulk infrastructure remains the challenge for the facelift of Port St Johns and requires collaborative efforts from other stakeholders in government and private sector. Two of the fundamental tasks that define Port St. Johns Municipality is to ensure that new businesses are also benefiting from our processes. This will assist in job creation and empowering the people of the area. Partnerships with both government and private institutions is key to find amicable solutions for service delivery and fight triple challenges

In order to guarantee that the people receive the services they need, the Port St Johns administration continues to support the political arm of the municipality in the implementation of the Integrated development Plan (IDP). We do this guided by the IDP priorities as contained in the document which was adopted at the start of the term and reviewed annually including the reporting period. The results of our IDP assessment have seen some regression due to capacity issues that require financial and other resources.

We are consistent in the implementation of the policies as approved by the Council while also acknowledging gaps for the next review. The municipality has retained the qualified audit opinion in the audit conducted by Auditor General of South Africa. Management has put stringent measures including the development of the audit action plan to respond to the qualifying matters. We are confident that these matters will be dealt with before the next audit period. We are committed to the improvement of our performance in the coming audit.

The implementation of individual performance management is at the center of our performance management system implementation as a measure to improve organizational performance. Training and development, including the upskilling and reskilling of personnel, has been put at the core of our personnel development on an incremental basis.

We recommend to the stakeholders to read and critic this report and provide constructive feedback through provided platforms. Our hope is that the year ahead will provide an opportunity to turn around the situation.

M. Ngxekana
Acting Municipal Manager

ANNUAL REPORT PURPOSE, BACKGROUND & APPLICABLE REQUIRMENTS AND MANDATE

PURPOSE

The Purpose of the annual report is to provide record of the activities of the Municipality during the year 2024-2025 financial year. It also provides the report of the performance of the Municipality against the budget or to promote accountability to the local community for the decisions made throughout the year.

BACKGROUND

Port St Johns Local Municipality adopted a policy for Performance Management System in 2014 as a guiding tool for monitoring and evaluation of its performance. The Municipality recognizes the significance of having a Performance Management System not only as a legal requirement in terms of the applicable laws, but as an important instrument of corporate governance which aims at ensuring that a process of goal setting in the workplace is followed by a systematic success measuring process. In the previous financial years, the municipality slowly started the cascading of performance management system by introducing this aspect to the staff below senior management but experienced some challenges which have not yet been resolved. There are strides to implement this decision

APPLICABLE LEGISLATIVE REQUIREMENT/S AND MANDATE

Section 121(1) of the Municipal Finance Management Act (32 of 2003) requires that every municipality and every municipal entity must prepare an annual report in accordance with Chapter 12 of the same act.

The annual report of a municipality must include- the annual financial statements of the municipality, and in addition,

- Section 122(2) applies, the consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1); the Auditor-General's audit report in terms of section I26(3) on those financial statements; the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act:
- Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act; an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges:
- An assessment by the municipality's accounting officer of the municipality 's performance against the measurable performance objectives referred to in 10 section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year:
- Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d) of the same act: any explanations that may be necessary to clarify issues in connection with the financial statements: any information as determined by the municipality; any recommendations of the municipality's audit committee: and any other information as may be prescribed.

Section 46 of the Municipal Systems Act (32 of 2000) states that.

(1) A municipality must prepare for each financial year an annual performance report reflecting: - The performance of the municipality and of each external service provider during the financial year.

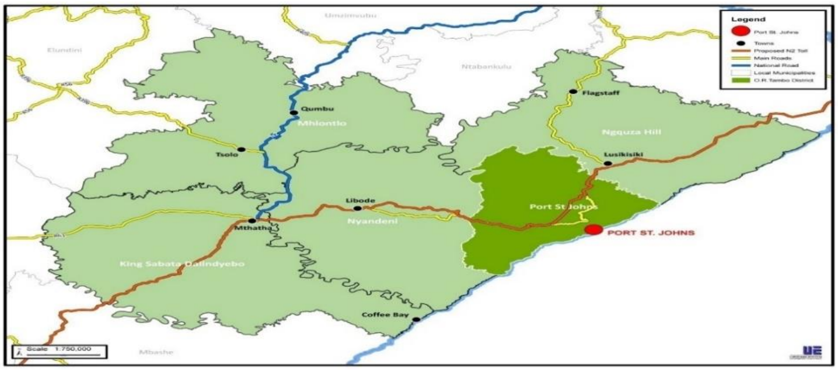
a) A comparison of the performance referred to in paragraph (a) with targets and performances in the previous financial year, and

b) Measures taken to improve performance

(2) An Annual Performance report must form part of the municipality's Annual report in terms of Chapter 12 of the Municipal Finance Management Act (56 of 2003).

1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Port St Johns Municipality is a category B Municipality, situated on the coast of the Indian Ocean in the largely rural Province of the Eastern Cape. It is bounded by Lusikisiki in the north, Libode in the west and Mthatha in the south. This municipality is one of the coastal municipalities within the O.R. Tambo District Municipality.

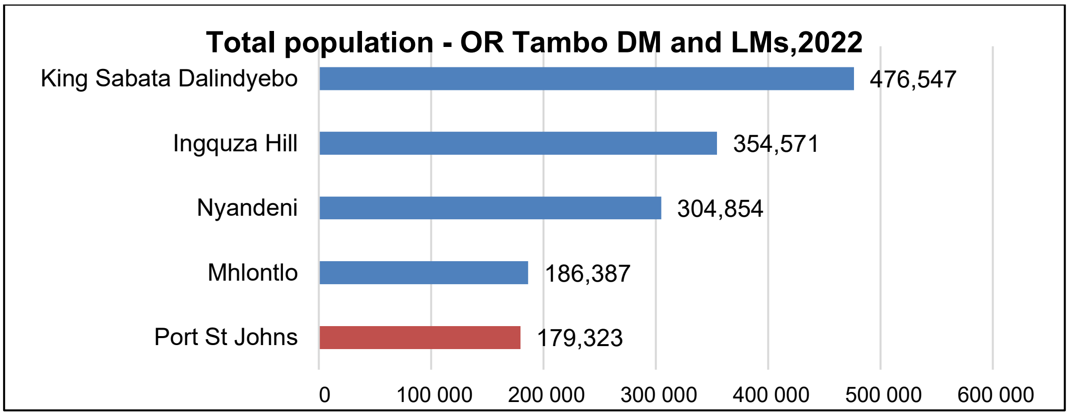


The municipality spans a total area of 1,291km² (8800 hectares) and comprises of 20 wards. It has a total population of 179 325 consisting mainly of Blacks (99%). The remaining 1% is composed of Whites, Coloureds, and Indian/Asian ethnic groups. Port St John's is known for its beautiful beaches, mountainous terrain with Hills, Cliffs, and sandy Dunes. The municipality's beautiful scenery, its natural vegetation and pristine beaches referred to above are main attractions for tourism.

It has land for commercial use and environmentally friendly residential areas. There are 1053 types of plants, and 164 plant families found around Port St John's. Five of these plant families and 196 plant types are only found in the Pondoland area, of which Port St John's is the heart. This unique vegetation harbors rare bird species, providing evidence of the rich biodiversity in Port St John's. The municipality has two key economic sectors: tourism and agriculture. In terms of commercial and economic activity, the municipality is growing at a steady pace.

Population Trends

There is a significantly smaller share of the child population - aged 5 to 14, down by 4.0% between 2011 and 2022. Youth increased by 20.1% between 2011 and 2022. The adult and elderly population increased largely by over 39.8%. The area seems to be a migrant sending area, with many people leaving the area to find work in the bigger cities. As a result, PSJ has a higher aging population. The Municipality is situated along the Indian ocean and is well resourced with natural assets such as forests, rivers, sea, beautiful Cliffs and Mountains. We have roughly 30 7643 households of which 91% earn less than R19 200 per annum and only 1.7% have an income of more than R76 800 per annum. According to the census conducted in 2022, we have roughly 179 342 people. The overwhelming majority of these people, i.e. 97.4, live in the rural areas of the municipality, while only 2.6% are classed as urban. There is one urban centre and 134 villages. We also have a young population with almost 45% between the ages 5-19 years i.e. school going age.



Summary of Census findings for PSJ	2011	2022
Households	31 713	30 643
Average household size	4,9	5,9
Formal main household dwelling	7 817	20 225
Traditional main household dwelling	23 475	9 876
Informal main household dwelling	319	422
Regional/local water scheme household water	6 232	7 641
Flush household toilet	967	5 947
Electricity for household cooking	9 885	13 502

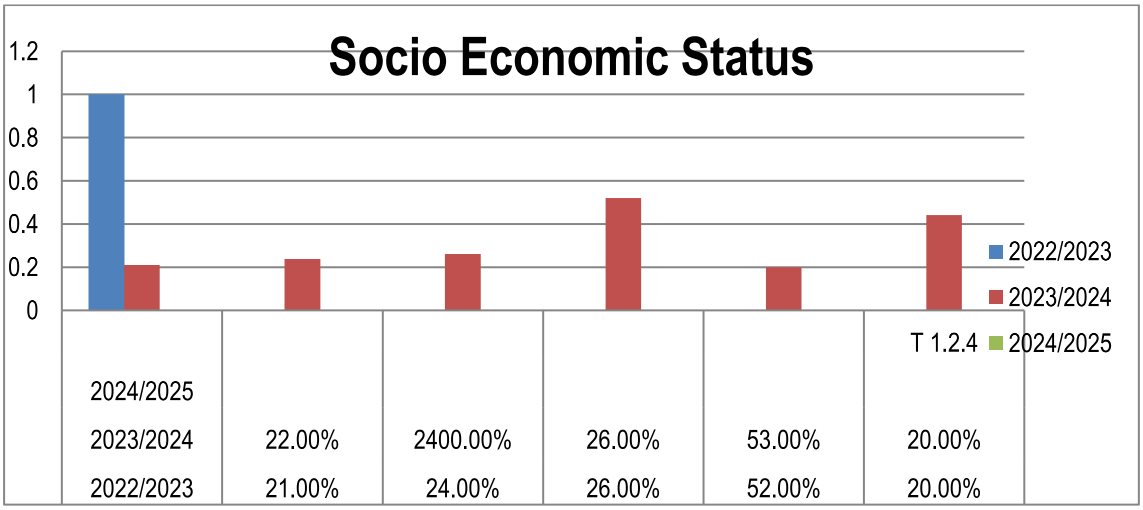
Socio Economic Trends

The Port St Johns Local Municipality had a total GDP of R 3.44 billion. In terms of total contribution towards O.R. Tambo District Municipality the Port St Johns Local Municipality ranked lowest relative to all the regional economies to total O.R. Tambo District Municipality GDP.

Sector	2012	2017	2022	Average Annual growth
Agriculture	39.3	42.0	46.2	1.63%
Mining	31.0	27.2	20.5	-4.06%
Manufacturing	163.7	160.8	162.4	-0.08%
Electricity	44.3	37.0	33.8	-2.66%

Construction	55.9	53.7	39.5	-3.41%
Trade	360.6	361.1	343.6	-0.48%
Transport	75.3	78.9	78.7	0.45%
Finance	242.9	291.2	304.9	2.30%
Community services	1,204.7	1,198.9	1,239.2	0.28%
Total Industries	**2,217.6**	**2,250.9**	**2,268.8**	**0.23%**

Socio Economic Status						
Year	**Housing Backlog as proportion of current demand**	**Unemployment Rate**	**Proportion of Households with no Income**	**Proportion of Population in Low-skilled Employment**	**HIV/AIDS Prevalence**	**Illiterate people older than 14 years**
2022/2023	21.00%	24.00%	26.00%	52.00%	20.00%	44.00%
2023/2024	22.00%	24.00%	26.00%	53.00%	20.00%	44.00%
2024/2025						
					T 1.2.4	



T 1.2.

Overview of Neighbourhoods within Port St Johns Local Municipality		
Settlement Type	**Households**	**Population**
Towns		
Port St Johns		
Sub-Total		491
Townships		
Mthumbane		
Sub-Total	0	9760
Rural settlements		
Sub-Total	0	22 500
Informal settlements		

Zwelitsha		
Mpantu		
Nonyevu		
Sub-Total	311	311
Total	0	32751
	T 1.2.6	

Natural Resources	
Major Natural Resource	**Relevance to Community**
Forest	Firewood & other
Rivers	Used as source for water (drinking etc.)
Oceans	Fishing activities, swimming etc. *T 1.2.7*

COMMENT ON BACKGROUND DATA:

The Municipality is situated along the Indian ocean and is well resourced with natural assets such as forests, rivers, sea, beautiful Cliffs and Mountains. We have roughly 37 200 households of which 91% earn less than R19 200 per annum and only 1.7% has an income of more than R76 800 per annum. According to the census conducted in 2022, we have roughly 179 342 people. The overwhelming majority of these people i.e. 97.4% live in the rural areas of the municipality, while only 2.6% are classed as urban. There is one urban centre and 134 villages. We also have a young population with almost 45% between the ages 5-19 years i.e. school going age.

T 1.2.8

1.1.1. Service Delivery

The O.R Tambo District Municipality is the Water services authority and Water services provider responsible for planning, implementation, and operation and maintenance of water and sanitation services within the 5 Local Municipalities in its jurisdiction. The District Municipality has not delegated any of its functions to the local municipality. Port St John's municipality is characterized by huge service delivery backlogs. These backlogs are also substantial increased by unplanned settlement growths. The state and capacity of existing infrastructure has become a constraint to growth and development.

Water provision

The O.R. Tambo District Municipality is both the Water and sanitation Services Authority and Water and sanitation Services Provider responsible for planning, implementation, operation and maintenance of water and sanitation services within the five Local Municipalities. In terms of the law the District Municipality is therefore responsible for the development and the implementation of its water services by-laws, District Wide Water and sanitation Master plans, Water Conservation & Water Demand Management. O.R. Tambo District Municipality is a grant dependent municipality and most of its water capital projects are funded through the Municipal Infrastructural Grant (MIG) of which the Department of Cooperative Government and Traditional Affairs (COGTA), National Treasury and Provincial Treasury has micro control. The District Municipality is unable to meet its backlog and properly maintain of existing infrastructure.

1.1.2. Financial Health

The Port St Johns municipality is financially sound and successfully manages its daily operations without encountering financial difficulties, despite still relying on grants. The cash-to-cost coverage ratio, excluding conditional grants, is seven months, significantly higher than the 3-month norm, indicating a strong positive cash flow.

This financial stability ensures that the municipality can meet its liabilities on time, with creditors paid within 30 days. Grant funds are used appropriately for their intended purposes, and all statutory payments are made promptly. Both the annual and adjustment budgets are fully funded and backed by cash. All budget-related policies were reviewed and approved by the Council during the budget and Integrated Development Plan approval in May 2025. To address the low revenue base, the municipality has identified new revenue streams to enhance its financial position.

The municipality continues to enforce its Supply Chain Management (SCM) Policy, with no successful challenges to any bid adjudication decisions, reflecting the fairness and accuracy of its SCM processes. The SCM policy has been updated to address gaps and incorporate recent legal and regulatory developments. However, there is a need for improvement in contract management to enhance effectiveness in this area.

Challenges.

- Debt collection remains a challenge due to the prolonged payment periods of ratepayers for rates and services. Additionally, the municipality continues to face issues with extended turnaround times for procuring goods and services.

Action to address challenges: -

- The municipality has formulated a revenue enhancement strategy designed to boost revenue generation, improve data accuracy, and strengthen the implementation of its credit control policy. Also, the development and implementation of procurement plans are aimed at enhancing the Supply Chain Management (SCM) office's capacity by providing it with necessary human resources

Financial Overview: 2024/2025 R'000			
Details	**Original budget**	**Adjustment Budget**	**Actual**
Income:			
Grants	236891100	269404068	280555309
Taxes, Levies and tariffs	17937000	16500000	16433000
Other	146591000	142532000	40101000
Sub Total	401419100	428436068	337089309

Less: Expenditure	362486613	373039282	268215943
Net Total*	38932487	55396786	68873366
** Note: surplus/(deficit)*			*T 1.4.2*

The indicated grants allocations were inclusive of capital and operational budget. The municipality had a budgeted amount of R365 423 956, and the actual amount realised for the year was R354 765 203. Of this amount R15 000 000 was transferred to Port St John's Development Agency. On taxes, levies, and tariffs the municipality under performed as it had a budget of R16 500 000. and received R8 168 454.71. The expenditure is less than what was budgeted for, and the year closed with a net surplus of R38 932 487.

Operating Ratios	
Detail	**%**
Employee Cost	54.15%
Repairs & Maintenance	5.22%
Finance Charges & Impairment	0%

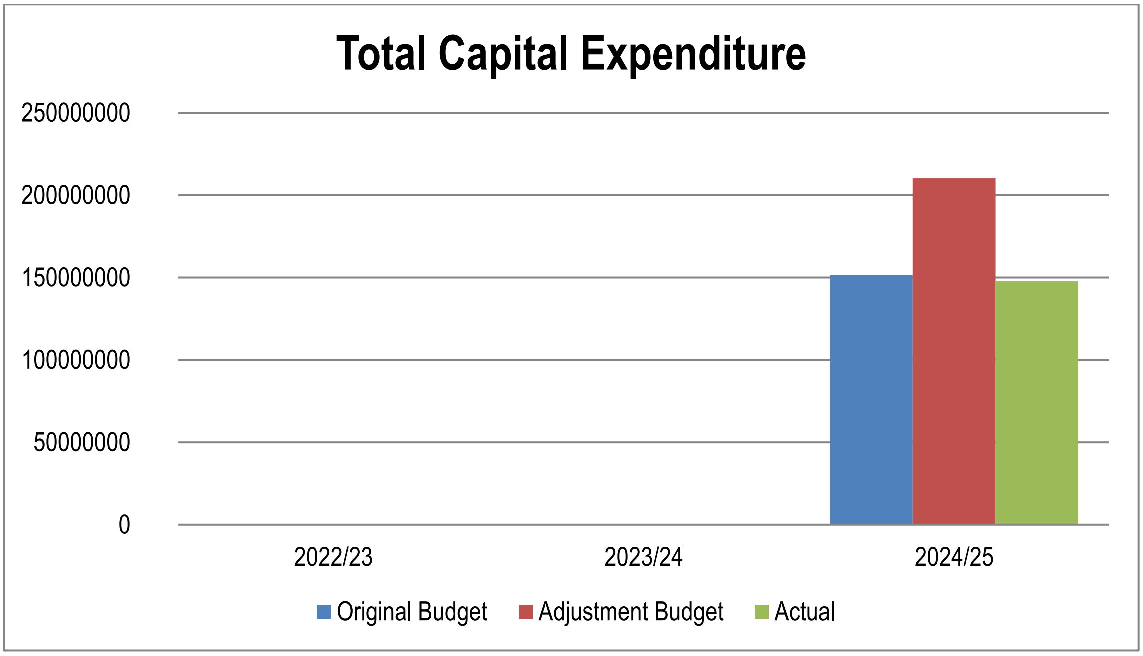
Employee Costs are expected to be approximately 40% at maximum to the total operating cost in terms of the National Treasury norms. During the reporting period, the municipality was at 54.15%, which exceeds the norm which is more when compared to the previous year. Repairs and maintenance costs were less than the norm of 8% as required by treasury. The ratio improved as the municipality directed more funds into repairs and maintenance of plants. Finance charges are sitting at 5.22% due to interest arising from the provision for landfill site rehabilitation

Total Capital Expenditure: 2022/23 to 2024/25			
			R'000
Detail	**2022/23**	**2023/24**	**2024/25**
Original Budget	101386	124551	151529900
Adjustment Budget	110543	165278	210162954
Actual	113240	144871	147957130
			T 1.4.4

Capital expenditure is comprised of all the capital items inclusive of grants. Capital projects grants were comprised of Municipal Infrastructure Grant (MIG) funded projects, Integrated National Electrification Programme (INEP), Municipal Disaster Relief Grant (MDRG), Department of Transport(DOT) and Small-town revitalization (STR) as well as the equitable share funded projects and own generated revenue funded projects.

Capital Budget is mostly funded by grants such as Municipal Infrastructure Grant (MIG) at 25.57%, Integrated National Electrification Programme (INEP) 20.07% and small-town revitalization (STR)9.62%, Municipal Disaster Relief Grant at 37.04%, Department of Transport at 7.70% of the total grants budget. At year end the capital expenditures were Municipal

Infrastructure Grant sitting at 100%, INEP 98% and Small-town revitalization 100%, MDRG 77% as per grants received amounts and Department of Transport (DOT) at 68% of the allocation



1.6. Organizational Development Overview

The organisational structure was approved by the Council together with Integrated Development Plan & MTREF Budget on the 31 May 2022. The review was done for 2024/2025 but remained at draft stage and is set for adoption in 2025/2026 financial year. The positions of the CFO & Corporate services senior manager were vacant from mid-year until the end of the financial year of 2024/2025. The recruitment process resumed and finalised at year end for the Corporate Services senior manager but is still in progress for the CFO. All senior managers positions are permanent in line with the amended Municipal Systems Act.

Table 1: Top management

POST	STATUS
Municipal Manager	Filled
Senior Manager: Corporate Services	Vacant
Senior Manager: Community Services	Filled
Senior Manager: Engineering services	Filled
Senior Manager: LED & Planning	Filled
Chief Financial Officer	Vacant

In year 2014 the performance management system was established in Port St Johns Local Municipality, however more efforts are needed to ensure full implementation of the Performance management framework. The following financial years concentrated in improving the system in the institution focusing mainly on compliance matters. Implementation of the performance management remained a challenge but there are strides to address challenges which includes policy review and an attempt to cascade the performance management system to the level below senior management

1.8 Annual Report Process

Annual report is the key reporting instrument for departments to give reports against the performance targets and budgets outlined in their strategic plans and Municipal Budget allocations. Annual report is therefore required to contain information on service delivery as contained in the Service Delivery & Budget Implementation Plan (SDBIP) for the financial year under review. In addition to financial statements and the audit report. It is meant to be a backward-looking document, focusing on performance in the financial year that has just ended.

It also reports on how the budget for that financial year was implemented as well as the challenges encountered throughout. In terms of section 121(1) of the Local Government Municipal Finance Management Act (No. 56 of 2003), every municipality and municipality must prepare an Annual Report for each financial year. The purpose of the Annual Report is to provide a record of activities, report on performance against the budget and promote accountability to the local community for the decisions made throughout the year.

The mayor must submit the Annual Report within seven months after the end of the financial year. Following that, the Council is required to consider the Annual Report and the oversight report on the Annual Report within nine months after the end of the financial year, i.e. before the end of March.

The Annual Report for 2024/2025 was compiled in terms of the Local government Municipal Finance Management Act 56 of 2003 (MFMA) and the Municipal Systems Act, 32 of 2000 (MSA), MFMA National Treasury Circular 63 read in conjunction with MFMA National Treasury Circular 11, and National Treasury Annual Reporting template requirements. It reflects the financial and non-financial performance of the Municipality and its entity for the period 1 July 2024 to 30 June 2025 against the approved revised Budget and Service Delivery & Budget Implementation Plan (SDBIP) for the reporting period.

CHAPTER 2: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1. Political Governance and Administrative Governance

2.1.1. Political governance

Council is the highest decision-making body in a municipality and sits on quarterly basis unless a special Council meeting is arranged by the Speaker to consider urgent matters. For purposes of administering political oversight, the Council is supported by the Executive Committee which is chaired by the mayor and is composed of the five Standing Committee chairpersons (Section 80 Committees). In addition to the Standing Committees (section 80), there were also Section 79 Committees with specific tasks delegated to them by Council as contained in the delegation of responsibilities policy. Municipal Public Accounts Committee (MPAC) was also in place and there was an on-going programme to capacitate its members. MPAC performed its responsibilities that were assigned to it by the Council, but the resources remain a challenge.

2.1.2. Administrative Governance

The Municipal Manager is the principal accounting officer employed in section of 54A of the Municipal Systems Act 32 of 2000. The Municipal Manager reports directly to the mayor and is supported by five senior managers appointed in terms of section 57. The senior managers and the Accounting Officer are contracted for a four-year term. The Municipality has six departments, five of each are headed by section 57 managers (Senior Managers) with the office of the Municipal Manager as the sixth department headed by the municipal manager. The municipality is organizationally arranged into the following line functions: -

- Office of the Municipal Manager
- Engineering Services department
- Community Services department
- Budget and Treasury Office
- Corporate Services department
- Planning & Local Economic Development department

In addition to the municipal departments, there is development agency which acts as a wheel to realize Local Economic development through the mandate delegated by Council. The Port St Johns Development Agency is headed by the Chief Executive Officer (CEO) but during the reporting period the post was vacant, and an incumbent was appointed on acting basis.

POLITICAL LEADERSHIP

Cllr C.S. Mazuza
Mayor

Cllr. S.E. Sicoto
Council Speaker

Cllr. X. Moni
Council Whip

EXECUTIVE COMMITTEE

Cllr. C.S. Mazuza
Mayor

Cllr. K. Bikiza
P/Head Corporate Services

Cll.r N. Tani
Budget & Treasury Office

Cllr. F. Mafaka
Ward 17 & P/Head Community services & SPU

Cllr. A. Gantsho
P/Head Planning & LED

Cllr. S. Madolo
P/head -Engineering services

Cllr. O. Ndumela
EXCO Member

COUNCILLORS

Cllr B. Mjakuja
Ward 08 Cllr.
Women's caucus chair

Cllr N. Javu
Ward 10 Cllr
Rules, Ethics & members interest chair

Cllr S. Mavimbela
Ward 16 Cllr.
MPAC Chair

Cllr. N. Vava
Ward 01

Cllr. P. Nomarhobho
Ward 02

Cllr. Madotyeni
Ward 03

Cllr. N. Kawu
Ward 04

Cllr M. Maninjwa
Ward 05

Cllr. Z. Mhlabeni
Ward 06

Cllr. P.B. Ndudu
Ward 07

Cllr S. Ndabeni
Ward 09

Cllr. N. Mphoqo
Ward 11

Cllr P. Ngozi
Ward 12

Cllr N. Puzi
Ward 13

Cllr N Dobe
Ward 15

Cllr. S. Ncolosi
Ward 18

Cllr. N. Dobe
Ward 19

Cllr. M. Makaula
Ward 20

Cllr. T. Tshikitshwa
PR Cllr.

Cllr. Zozi
PR Cllr

Cllr. Mzaleni
PR Cllr.

Cllr. Z. Mtiki
PR Cllr.

Cllr M.A. Jam-Jam
PR Cllr.

Cllr M. Ntiyantiya
PR Cllr.

Cllr Z. Pato
PR Cllr.


Cllr T.C. Xhangayi
PR Cllr.

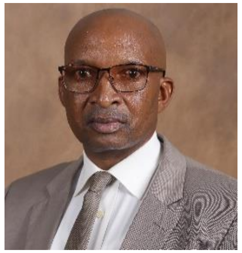

Cllr S.L. Ntlatywa
PR Cllr.


Cllr C. Hashibe
PR Cllr.

TRADITIONAL LEADERS IN COUNCIL

There were two traditional leaders sitting in council from the local traditional councils at year end. The traditional leadership that is part of the council was as follows:


Chief V. Ndabeni


Chief Sigcau

2.1.3. Political Decision-Taking

Political decisions are taken in a form of Council resolutions through voting system as documented in the Rules & Order of Council. Council successfully implemented the Rules and Order of Council document adopted by Council to ensure a smooth running of its meetings and compliance to relevant legislations. Council also implemented the delegation of responsibilities policy and monitored all delegations by ensuring that they are reported to Council for final decision making. The reporting lines were observed to ensure proper processing of reports and other related information submitted to Council for decision making. Almost 90% of decisions taken by Council were implemented with the remaining still to be processed[

2.2. Administrative Governance structure

TOP ADMINISTRATIVE STRUCTURE		FUNCTION
Accounting officer	Mr. S. Wana Mr M. Ngxekana	Acting Municipal Manager (from 22 Nov 2024- June 2025) Acting Municipal Manager
Section 56 Managers	Ms. Z. Sodladla Mr. S. Wana Mr. A. Bara Ms. S. Batyi Mr. E. Mzayiya	Acting CFO (March 2025-July 2025) Engineering Services Acting Corporate Services Senior Manager LED & Planning Community Services
Middle Managers	Ms. T.P. Godlwana Ms. F. Lusiti Ms. B. Ngesi Mr. M. Mbangi Mr. X. Nobuya Adv. T. Liwani Mr. S. A. Bunge Mr. T. Kwape Ms L. Majozini Mr. T. Mzondi Ms. F.A. Mshiywa Mr. L. Mangxa Ms. Z. Jim Mr. A. Notobela	Manager Strategic Services Office Manager-Mayor's office Acting Manager- Internal audit services (June 2025) Manager- Internal Audit services (till May 2025) Enterprise development Manager Manager Legal Services Construction & Mechanical Manager (February 2024) PMU Manager Human Resources Manager (till 26 September 2025) Manager Solid Waste and Environment Public Participation & Council support acting Manager (from 16 April 2025) Rural Development Manager Supply chain Manager (from February 2024) Manager –Public Amenities, Cemetery & Pound
		T 2.2.2

Accounting Officer :

Head of Administration and as Accounting Officer in terms of section 55 of Local Government Municipal Systems Act No. 32 of 2000 and section 60 of Local Government Municipal Finance Management Act No. 56 of 2003 respectively, takes responsibility of the overall performance of the organization, including: -

- Transformation of the organization to one that is developmentally focused.
- The development of an economical, effective, efficient, and accountable administration equipped to carry out the task of implementing the municipality's Integrated Development Plan, operating in accordance with the Municipality's Performance Management System, that is responsive to the needs of the local community and to participate in the affairs of the municipality.
- Implementation of the Municipality's Integrated Development Plan and monitoring the progress with regard to implementing the plan; administering and implementing the Municipality's by-laws and other legislations.
- Advising the political structures and political office bearers of the Municipality.
- Rendering support to the office of the Mayor, Speaker, and the Office of the Council Whip.

Ms Z. Sodladla: Acting Chief Financial Officer

Performs duties of the CFO in terms of section 81 of Municipal Finance Management act 56 of 2003 as amended. Implements integrated development plan and strategic goals of the budget and treasury office; Provides support and advice to the Council and municipal manager; Implements service delivery budget implementation plan; Prepares and implement municipal budget; Prepares annual financial statements and other legislative financial management reports; Performs duties and functions delegated to CFO by the Municipal Finance Management Act; Manage efficient provision of municipal service; Establish, operate and maintain the support structures, processes and systems; Leads and directs staff in the department to ensure that they meet the objectives in line with the municipality's requirements and resources.

Mr.E. Mzayiya: Senior Manager Community Services

Ensures the development of appropriate Strategies, Policies and plans for all relevant areas; Directs the implementation of specific procedures, systems and controls associated with key functional areas embodied in the Community Services departmental Structure; Provides Strategic leadership and planning for the department, Community development Management; Responsible for public safety, which amongst other things includes traffic management, security management and Law Enforcement; Responsible Management of Community Facilities e.g. Community Halls, Cemeteries, Sports Fields, Libraries, Beaches, Pounds, and other facilities; Responsible for environmental management in general and the coordination of disaster management; Coordinates and monitors development of Sports, Arts and Cultural programs and development of social programs. Alignment, creating awareness, capacity, and relationship management in all stakeholder forums.

Mr. A. Bara – Acting Senior Manager: Corporate Services

Leading and directing the Corporate Services Directorate; Ensures the Municipality is provided with an effective support services regarding corporate administration, human resources, information technology and legal services; Manages corporate administration functions which relate to the provision of record managements Managing the directorates budget planning, implementation and budget review to support priorities and deliveries in the context of IDP; Advising the Municipal Manager timeously and effectively on matters pertaining the Directorate; Provides visionary and innovative leadership to diverse workforce, to ensure optimal utilization of the Council's resources in terms of implementing its strategic objectives articulated in the IDP and in the fulfilment of its legislative mandate • Manages Human Resource portfolio in accordance with labour legislation and collective agreement.

Mr. S. Wana -Senior Manager: Engineering services

Contract management, quality assurance and compliance, and ensure their proper integration to the local municipality's overall plan (IDP); Performs financial monitoring through commissioning, operations and maintenance to ensure effective and efficient functioning of the department within the budgetary constraints of the municipality; Provides professional advisory services to the municipality in respect of engineering services; Manages all the department's contracts and tenders according to the signed Service Level Agreements (SLAs), Council requirements, ensuring adherence to the Service Level Agreements (SLAs), terms of reference, letter of appointment and contracted project time lines as per specification; Develops methodologies and approaches to guide specific urban design investigations and research processes; Ensures that projects reflecting to IDP are registered in accordance with CIDB requirements; Manages the IDP implementation and review process, advises the Municipal Manager on planning and development matters.

Ms S. Batyi -Senior Manager: Local Economic Development & Planning

Develops, co-ordinate and manage the operations of the Local Economic Development and Tourism sub-sections; Manages developmental project management processes associated with scoping, resourcing, implementation, monitoring, and communication; Prepares reports on the activities of the component, as and when required to do so.

2.3. INTERGOVERNMENTAL RELATIONS

2.3.1. Intergovernmental Relations

Platforms were created to ensure that there is budget alignment, coordinated planning and approach to service delivery. Port St John's Mayor chairs the local Inter-governmental relations forum which meets quarterly to discuss and evaluate progress on the implementation of plans that are committed in the Integrated Development Plan and departmental annual plans (SDBIPs). In the local Inter-governmental relations forum, the municipality is represented by the Executive Committee (EXCO) with the mayor as the chairperson of the forum, Management led by the Municipal Manager. During the reporting period, the Inter-Governmental Relations forum was separated as political and technical.

Technical IGR forum is composed of the administrative arm chaired by the Accounting Officer of the Municipality. Port St Johns municipality has several platforms to ensure the implemetation of intergovernmental relations act. The IDP technical committee is one of the platforms and is formed by Heads of Sector departments and the municipal officials led by the accounting officer. The technical committee encourages the planning and coordinating the review of the IDP and sits to ensure the planning and reporting by all sector departments operating in the space of the municipality.

The committee is functional and has sat in accordance with the IDP process plan. The technical committee prepares the reports for the IDP representative forum which is politically led by the Mayor. The IGR meetings in a form of Techical IGR and IDP meetings sat in all quarters to review the IDP and to present the progress reports on the implementation of approved plans. Our IGR process is ehnnanced by the quarterly meeting Mayoral Outreaches which are held every quarter to present the progress with regards to the implementation of IDP. These outreaches are conducted through clusters. This financial year 3 mayoral out reaches were conducted which excludes the IDP and Budget roadshows that were held in April 2025.

The municipalilty contiously attends the meetings that are coordinated by the district. The Mayors reports directly to the District Mayors representative forum. All the structurtes have been coordinated successfully.

2.3.2. District & Local Intergovernmental Structure

Port St Johns Municipality as the local sphere in local government coordinated the sitting of the Intergovernmental Relations forum at local level. At a local level the Intergovernmental Relations Forum is chaired by the mayor of Port St Johns Local Municipality or delegated member. The forum was functional, but some deviations were noted in terms of meeting all the obligations this financial year.

Four IGR forums were conducted to ensure the acceleration of service delivery. The participation of stakeholders in the processes of the Integrated Development Plan review has improved but there is still a need for improvement.The municipality has not yet adopted the IGR policy framework, the policy is at draft stage and will be presented to the committees before it is taken for adption in 2025/2026 financial year. This will also assist in the functioning of IGR clusters as it contains terms of reference for IGR clusters. The war room are still a major challenge however, the policy will also assist inensuring that the war rooms are revived and are coordinated for presentation to the cluster meetings . As part of the measures to improve on IGR co-ordination, the Municipality has put plans to ensure that all IGR structures are in place and functional.

2.3.3. Provincial Intergovernmental Structure

At Provincial level there is Premier's Intergovernmental Forum (PIF) which is the provincial structure that coordinate the relationship between all spheres. The Port St Johns Municipality has actively participated in Inter-Governmental Relations platforms at the Provincial level through Premier's Intergovernmental Forum and through MuniMecs which are catergorised as Technical and Political. At Technical MuniMec the Municipality was represented by the Municipal Manager, and at Political MuniMec by both the Mayor & Municipal Manager. The muncipality also participated in convened SALGA working groups for different sectors. The Municipal Manager is also a member and an active participant of the Municipal Manager's forums at provincial level

2.4. PUBLIC PARTICIPATION

2.4.1. Overview of Public Participation

Council promotes local democracy and community involvement in its affairs by facilitating capacity building and establishing operational mechanisms for ensuring public participation in planning, project implementation and general Council affairs. The Municipality has a communication strategy that was adopted in 2017, this is a comprehensive communication and public participation strategy that among other things has informed the participation of traditional leaders that are not part of Council on governance matters and the public.

The municipality adopted the Communication and public strategy in 2018 and is due for review. This documents guides the communication and public partiicpation process that should be followed by the municipality and all stakeholders that are willing to participate in the affairs of the municipality. The public participation strategy was at draft phase and will be finalised in the next financial year together with other municipal policies. Port St Johns Municipality has not reached the required level of performance in public participation due to challenges of capacity as the unit is not well resourced. This resulted to the participation of stakeholders not properly coordinated.

2.4.2. Public Meetings

2.4.2.1. Communications, Public Participation and Forums

The Council took a resolution in 2014/15 financial year that the Mayor must hold at least one outreach per quarter alternated throughout the wards with reports submitted to Council for consideration. The resolution taken was meant to enhance public participation in addition to the Integrated Development Plan and Budget Road shows, Integrated Development Plan representative forums and Inter-governmental relations forums platforms. This resolution is still standing and has been complied with since the previous and during the current term of Council. Ever since the Municipality started the outreach programs, public participation has improved from the state it was. All planned (four) mayoral outreach programs were convened during the financial year under review.

2.4.2.2. Ward Committees

Port St John's Municipality is composed of twenty wards; each established a ten-member ward committee structure in terms of section 73 of the Local Government Municipal structures act No.117 of 1998. As part of ensuring that there is an intergrated process with regards to participatory process in the affairs of the municipality. Our municipality launched ward committees in wards of Port St Johns. These ward committees serve as a link between the municipality and the people. The ward committee meetings are held every month and the issues are escalated through the responsible ward councilor and Public Participation Office.

The municipality sets aside from its operational budget resources to constantly capacitate ward committees and payment of stipend. At the end of the financial year 2024-2025, the ward committee members were 198 due to the death and resignation in ward 06 and ward 10. Ward committees are the core invitees of the Integrated Development Plan representative forum. Consultation is specifically done with each of the twenty ward committees when updates are done to the ward plans and project priorities for their respective wards.

Most wards are allocated Community Development Workers (CDWs) who assist the ward committees with compilation and submission of reports on community development needs and progress. At the end of the reporting period, there were 19 CDWs because of the death in ward 08. CDWs also assist with conducting basic research aimed at supporting the work of ward committees. It is common for each CDW to attend to a minimum of ten to fifteen cases per month in each ward. CDWs always part of the municipal gatherings especially those that involve IDP, and they make a valuable contribution.

The office of the Speaker and ward councillors monitored and elevated issues emanated from the monthly ward committee meetings with constant feedback being provided to the ward committees of which CDWs participated. Ward Committees held their monthly ward committee meetings and quarterly public meetings in maximising public participation. The outcomes of these meetings were then processed to form reports and submitted to the office of the Speaker for review and decision making and or interventions where necessary. Ward profiling has not been done to package the ward information for planning purposes but are part of the programs planned for the next financial year.

PUBLIC MEETINGS

PUBLIC MEETINGS							
Nature and purpose of meeting	**Date of events**	**Number of Participating Municipal Councilors**	**Number of Participating Municipal Administrators**	**Number of Community members attending**	**Issue addressed (Yes/No)**	**Dates and manner of feedback given to community**	**Nature and purpose of meeting**
Visit of Ward Committee Meeting	02/07/2024	01	01	08	Yes	The feedback was provided in the same meeting through engagements in the session.	Visit of Ward Committee Meeting
Stakeholders Engagement Meeting	28/08/2024	09	01	13	Yes	The feedback was provided in the same meeting through engagements in the session.	Stakeholders Engagement Meeting
Stakeholders Engagement Meeting	03/09/2024	02	01	31	Yes	The feedback was provided in the same meeting through engagements in the session.	Stakeholders Engagement Meeting
National Will's Week and Drafting of the Will	16/09/2024	n/a	01	49	No	The feedback was provided in the same meeting through engagements in the session.	National Will's Week and Drafting of the Will
Ward Delimitation Consultative Meeting	14/10/2024	24	01	18	Yes	The feedback was provided in the same meeting through engagements in the session.	Ward Delimitation Consultative Meeting
Information Sharing Meeting	15/10/2024	N/A	01	36	Yes	The feedback was provided in the same	Information Sharing Meeting

						meeting through engagements in the session.	
Portfolio on Social Development	17/10/2024	N/A	02	75	Yes	The feedback was provided in the same meeting through engagements in the session.	Portfolio on Social Development
Visit of Ward Committee Meeting	25/11/2024	N/A	01	10	Yes	The feedback was provided in the same meeting through engagements in the session.	Visit of Ward Committee Meeting
State of the Ward Address – Ward 11	02/12/2024	13	02	125	Yes	The feedback was provided in the same meeting through engagements in the session.	State of the Ward Address – Ward 11
Visit of Ward Committees- Ward 2	03/12/2024	01	01	11	No	The feedback was provided in the same meeting through engagements in the session.	Visit of Ward Committees- Ward 2
Visit of Ward Committees -Ward 5	03/12/2024	01	01	11	No	The feedback was provided in the same meeting through engagements in the session.	Visit of Ward Committees - Ward 5
Ex-Mine Workers Engagement Session	09/12/2024	N/A	02	41	Yes	The feedback was provided in the same meeting through engagements in the session.	Ex-Mine Workers Engagement Session
Initiation Forum Meeting (December to January Season)	14/01/2025	02	03	14.	No	The feedback was provided in the same meeting through	Initiation Forum Meeting (December to January Season)

						engagements in the session.	
Municipal Ward Delimitation Technical Consultation Meeting	28/01/2025	N/A	04	14	N/A	The feedback was provided in the same meeting through engagements in the session.	Municipal Ward Delimitation Technical Consultation Meeting
Public Education on Marine Oil Pollution	02/2025	04	01	40	Yes	It was a once off meeting.to educate people on the Bill.	Public Education on Marine Oil Pollution
Demarcation Consultative Meeting	18/02/2025	03	02	67	Yes	Feedback was done through demarcation processes followed which was still in progress at year end	Demarcation Consultative Meeting
Visit of Ward Committees- Ward 11	06/02/2025	02	02	10	No	The target was to educate the Ward Committees after By-election and also the handover from the acting Councilor.	Visit of Ward Committees- Ward 11
Public Hearing on Marine oil Pollution Bill	04/03/2025	04	03	94	No	It was a once off session, all issues were dea,It with in the same meeting.	Public Hearing on Marine oil Pollution Bill
Visit Ward Committees- Ward 7	06/03/2025	01	02	08	No	The feedback was provided in the same meeting through engagements in the session.	Visit Ward Committees- Ward 7
Mayoral Outreach, Ward 06.	26 March 2025	17	19	70	Yes	Some of the issues were addressed during the same meeting, while others were considered during the planning for the 2025/2026 financial year.	Mayoral Outreach, Ward 06.
Demarcation Consultative Meeting	07/03/2025	03	03	42	No	Inputs were accommodated through	Demarcation Consultative Meeting

						demarcation processes which were still in progress at year end.	
Demarcation Consultative Meeting	11/03/2025	03	03	134	No	Inputs were accommodated through demarcation processes which were still in progress at year end.	Demarcation Consultative Meeting
Public Hearing on Marriage Bill Preparatory	12/03/2025	01	01	21	No	It was once off meeting to educate and obtain comments from people on the marriage Bull.	Public Hearing on Marriage Bill Preparatory
Demarcation Consultative Meeting-D	14/03/2025	04	02	72	No	It was once off meeting to consult communities on demarcation process.	Demarcation Consultative Meeting-D
Demarcation Meeting (All Wards of PSJLM)	08/04/2025	18	10	323	Yes	Inputs were taken and feedback was given through demarcation processes which were still in progress at year end.	Demarcation Meeting (All Wards of PSJLM)
Initiation meeting	30/04/2025	02	01	113	No	It was an awareness program to all Schools	Initiation meeting
PSJ LM Initiation Forum Meeting	13/05/2025	01	01	39	No	This was an awareness Campaign to educate communities about initiation program.	PSJ LM Initiation Forum Meeting
Ex-Mine Workers meeting/engagement	16/05/2025	16	19	434	Yes	Continues engagement session on education and awareness. And the warning on the scams	Ex-Mine Workers meeting/engagement
Petition follow up in Ward 1	21/05/2025	01	01	12	Yes	The service delivery issues raised were considered through IDP processes.	Petition follow up in Ward 1
Community Meeting Ward 14	06/06/2025	01	02	57	Yes	Feedback was provided on the same date	Community Meeting Ward 14

PSJ LM Initiation Forum	12/06/2025	01	01	40	No	This was training stakeholders and awareness about the initiation programs.	PSJ LM Initiation Forum
Initiation Meeting	17/06/2025	N/A	01	30	No	Awareness Campaign Meeting-Ward 02	Initiation Meeting

2.4.2.3 Effectiveness Of the Public Meetings

The meetings that are continuously convened by the municipality have proved to be one of the best ways to improve communication and the relations between the municipality and the community. The number of protests has noticeably been increased, however the public participation meetings led by the mayor had positively responded. The Municipality has taken a decision to have a dedicated public participation unit to effectively respond to the public participation challenges. This would be implemented in the beginning of the next financial year.

2.5. IDP Participation and Alignment

During the Integrated Development Plan (IDP) compilation process, Integrated Development Plan structures were convened to consider Municipality's Integrated Development Plan priorities. Subsequent to the tabling of draft Integrated Development Plan and draft Budget in Council in March, the Integrated Development Plan and Budget Roadshows/Imbizo's were convened where all wards were visited by the delegation led by the Executive Committee for community participation.

In these roadshows the draft documents of the IDP and Budget were presented, community comments were sought, and where applicable, necessary changes were made prior to the final adoption by council. There were also constant engagements with the key stakeholders (Ratepayers Association; Chaguba Community Property Association; Traditional Leaders, etc.) whenever there are matters. During the reporting period the central Imbizo's were conducted in a form of IDP and Budget reviews for all our wards.

The Council had successfully convened its strategic planning session and subsequently a management planning session to develop SDBIP was convened. This was preceded by the successful convening of four Integrated Development Plan representative forums. The tabling of the Integrated Development Plan & Medium-Term Revenue & Expenditure Framework (MTREF) Budget to Council was done and Council approved both documents within the prescribed timeframe.

The review of the IDP was done and is aligned with the national and Provincial plans and linked to the District Development Model. MTREF Budget was prepared in alignment with the IDP priorities. Service delivery and budget implementation plan and performance agreements were aligned to the approved Integrated Development Plan.

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes

Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
** Section 26 Municipal Systems Act 2000*	*T 2.5.1*

2.6. CORPORATE GOVERNANCE

The municipality had a functional Audit, Risk & Performance Committee of three members which was appointed in terms of section 166 of the Local Government Municipal Finance Management Act (No.56 of 2003) to oversee the effective management of Risks of all municipal operations. This includes compliance with all applicable legislations and regulations and supervision of operational internal controls; financial management; and human resources. There was a vacancy of one members of which recuritment was initiated but not finalised. The Audit, Risk & Performance Committee had an approved charter and adhered to it. There were at least four ordinary sittings planned and successfully held on quarterly basis. In addition, special meetings were held to discuss special matters of governance.

Audit, Risk & Performance Committee members.

- Ms Mnqeta - Chairperson
- Dr Mdani - Member and Chairperson – Chairperson DC Board
- Mr V. Magan - Member and Chairperson Risk Management Committee

All the appointed members have requisite skills and relevant qualifications to serve in the structure.

The Municipality has a Disciplinary board for financial misconduct that was appointed in line with National Treasury regulations on Financial Misconduct. The board convened one sitting, but no matters of alleged financial misconduct were brought to its attention. The following members served in the DC board: -

1. Dr. Mdani - Chairperson
2. Mrs. T. Mbombo - Assistant Director (Provincial treasury)
3. Advocate T. Liwani - Legal Advisor (Port St Johns Local Municipality)
4. Ms B. Ngesi - Acting Internal Audit Manager (May-June 2025)
5. Mr. M. Mbangi -Internal Audit Manager (Port St Johns Local Municipality.
6. Ms F. Mshiywa - Secretariat

The appointed members have the required qualifications and skills necessary to serve in the Disciplinary board on financial misconduct. Furthermore, we are audited by the Auditor General of South Africa in terms of Public Audit Act (No 25 of 2004) and provides opinion on financial statements.

2.6.1. RISK MANAGEMENT

Risk management is about identifying, avoiding, or mitigating threats that may lead to losses. It is a systematic process of identifying, analyzing, evaluating, treating, monitoring, and communicating the risks associated with the organization. Risk management is important for the achievement of the municipality's objectives as outlined in the Integrated Development Plan. Risk management is a managerial function, individual sections and departments differ in their exposure and reaction to risks, therefore sections, departments and individuals form a vital part of the overall risk management process within the municipality.

The municipality established a Risk Management Committee (RMC) that sits on a quarterly basis, but the committee was not fully functional, and this led to the risk management function not performed to the expected level. The risk management strategy and a risks management plan were reviewed and adopted by the Council in Janaury 2025. Both the strategy and the policy were implemented during the reporting financial year. The municipality appointed Risk Management Officer in December 2024 and assumed duties in January 2025. The risk management officer reports to the Manager Strategic Services.

Risk assessment was conducted and subsequently the strategic risk register was developed. Amongst the risks that were identified the municipality identified; non- compliance with legislative requirements; Inadequate monitoring of projects; supervision or monitoring of municipal expenditure; non-adherence to Integrated Development Plan Process; We did not successfully implement our Risk Management policy, but efforts were made to ensure that the risks identified are mitigated on a quarterly basis.

2.6.2. Anti-Corruption And Fraud

Port St Johns Municipality subscribes to the principles of good corporate governance, which requires conducting business in an honest and transparent fashion. Consequently, Port St John's is committed to fighting fraudulent behavior at all levels within the organization. The municipality has an approved fraud prevention plan that is intended to assist in preventing, detecting, investigating, and sanctioning fraud and corruption. The main principles upon which this plan is based on are; Creating a culture which is ethical and intolerant to fraud and corruption; Deterrence of fraud and corruption; Preventing fraud and corruption which cannot be deterred; Detection of fraud and corruption; Investigating detected fraud and corruption; Taking appropriate action in the event of such irregularities e.g.: disciplinary actions, recovery of losses, prosecution, etcetera: and applying sanctions that include blacklisting and prohibition from further employment.

2.7. Overview of Supply Chain Management

Supply chain management in the municipality encompasses a broad range of activities and processes, all aimed at maximizing efficiency, reducing costs, and ensuring the smooth flow of goods and services. Here are the key components of supply chain management:

2.7.1. Demand Management

Includes timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and delivered timely. The municipality has developed a procurement plan that is aligned with the SDBIP

2.7.2. Acquisition management

All goods and services procured by the municipality are according to the SCM policy and processes. The municipality has implemented its Supply Chain Management (SCM) policy, and all the bid committees were functional however there were challenges of sitting caused by other municipal competing activities. The SCM is a small and functional unit but is understaffed. There were no successful challenged cases of bid adjudication decisions. The Municipality experienced challenges of receiving poor responses to adverts posted on the website, local newspaper and notice boards which caused delays on procurement process. Sometimes the bids received were found non-responsive leading to the bid being re-advertised. The implementation of procurement plans was also not properly monitored.

2.7.3. Logistics Management

Includes applying appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased; regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes. The Municipality does not have a secure warehouse for inventories and thus we do not do bulk purchases we buy as and when goods are required.

2.7.4. Disposal Management-

The disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the MFMA, are by public tender in all cases.

Performance Management Officials and project managers monitor and evaluate the contractor's performance, this is essentially in determining whether the requirements are being met and to avoid any future conflict over unsatisfactory performance by using the developed. Reports are submitted to the Supply Chain office of the Contract Performance.

2.8. By-Laws

By-laws Introduced during Year 0					
Newly Developed	**Revised**	**Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)**	**Dates of Public Participation**	**By-Laws Gazetted* (Yes/No)**	**Date of Publication**
	SPLUMA by-law	Yes		Yes	New
	Outdoor advertising by-law	Yes		In progress	New
	Prevention of land invasion by-law	Yes		In progress	New
	Filming by-law	Yes		In progress	New
Business trading by-law		Yes			New
Stret trading by-law		Yes			New
SPLUM bylaw					26-Sep-16
Building regulations bylaw					26-Apr-21
Standard bylaw township economies					New
Trade and Investment Promotion Policy					New
**Note: See MSA section 13.*					*T 2.9.1*

2.9.1 COMMENT ON BY-LAWS:

The Municipality has several by-laws that needs to be reviewed and implemented in various areas of function. The by-laws that were prioritised are related to LED and town Panning. Some of the by-laws were reviewed and others developed to assist the municipality in controlling the areas. Two bylaws were approved and gazetted, three developed and approved but still in the process of gazetting. The rest were in the draft stage.

2.9. WEBSITES

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	**Yes / No**	**Publishing Date**
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (Year -1)	Yes	

The annual report (Year 0) published/to be published	n/a	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes	
All service delivery agreements (Year 0)	No	
All long-term borrowing contracts (Year 0)	No	
All supply chain management contracts above a prescribed value (give value) for Year 0	n/a	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No	n/a
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	n/a	n/a
Public-private partnership agreements referred to in section 120 made in Year 0	n/a	n/a
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0		
Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.		*T 2.10.1*

2.10. COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The website was functional during the reporting period and necessary documents were loaded, however there has been a service provider to do upgrade of the municipal website. An improvement is expected after the service provider has completed all the works and upload the information accordingly. There is timeous upload of statutory documentation in compliance with MFMA section 75 and MSA section 21A

2.10. PUBLIC SATISFACTION ON MUNICIPAL SERVICES

2.11.1 Public Satisfaction Levels

The municipality did not conduct any surveys during the reporting period and has been getting comments from the public through Mayoral outreach programs and ward committee meetings. The Municipality had limited resources to address all the service delivery challenges and backlogs that were raised by the public.

Satisfaction Surveys Undertaken during: Year -2023/2024 and Year 2024/2025				
Subject matter of survey	**Survey method**	**Survey date**	**No. of people included in survey**	**Survey results indicating satisfaction or better (%)***

Overall satisfaction with:				
(a) Municipality	N/A	N/A	N/A	N/A
(b) Municipal Service Delivery	N/A	N/A	N/A	N/A
(c) Mayor	N/A	N/A	N/A	N/A
Satisfaction with:	N/A	N/A	N/A	N/A
(a) Refuse Collection	N/A	N/A	N/A	N/A
(b) Road Maintenance	N/A	N/A	N/A	N/A
(c) Electricity Supply	N/A	N/A	N/A	N/A
(d) Water Supply	N/A	N/A	N/A	N/A
(e) Information supplied by municipality to the public	N/A	N/A	N/A	N/A
(f) Opportunities for consultation on municipal affairs	N/A	N/A	N/A	N/A
** The percentage indicates the proportion of those surveyed that believed that relevant performance was at least satisfactory*				*T 2.11.2*

The Municipality did not conduct any new satisfaction survey during the reporting period but is considering it to ensure that service delivery touches on real issues on the ground. This may also help to improve community participation on issues of service delivery that affect them

The Communities raised their issues through various public participation platforms that are created by the municipality as part of improving public participation. During the Integrated Development Plan Roadshows and Mayoral outreach programs, people from all wards registered their concerns in all service delivery areas. The Municipality took a record of all the issues and responded through Integrated Development Plan priorities or interventions depending on the nature of the matter reported. The Municipality acknowledged the fact that the services provided did not meet all the expectations of the community but tried to ensure the provision of quality services to the people.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

3. INTRODUCTION

Basic services include Water, Wastewater, Electricity, Waste management, Housing services and Free basic services. Port St John's Municipality provides basic services such as Waste management, Free Basic Services. Water and wastewater services are provided by O.R. Tambo District Municipality in terms of power and functions. Housing is the responsibility of the department of Human settlement, but the Municipality plays a facilitation role to ensure that communities are provided with decent shelters. The Municipality is dependent on Eskom program for provision of electricity in Port St John's town and surroundings. The maintenance of streetlights in town is done by our planning & engineering services department.

3.1.1. Waste Management

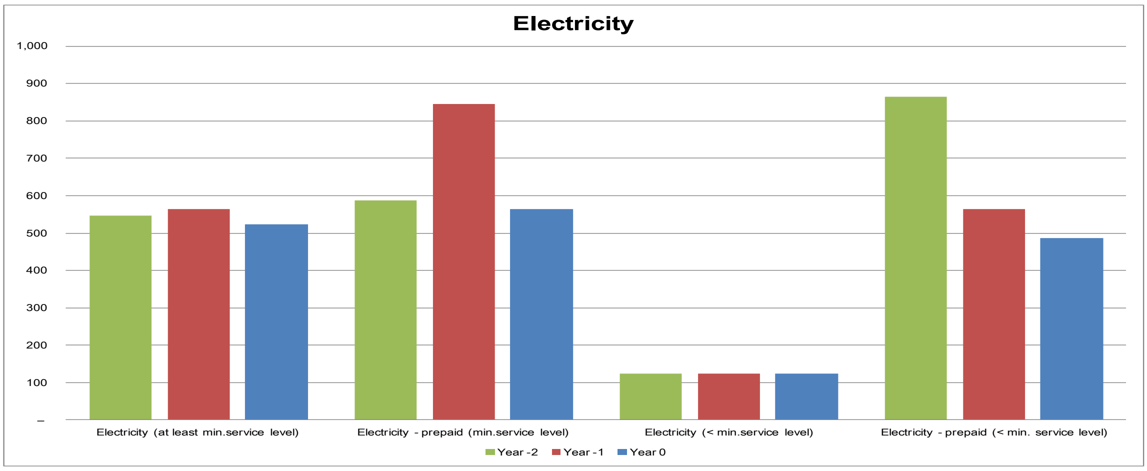
The waste management section is responsible for ensuring that efficient removal of waste in town and surroundings happens and that our towns, streets, and verges are maintained at a desirable level for our communities. This section is also responsible for the management of the land fill site. In the past there were challenges with ensuring that the service is rendered efficiently due to ageing fleet but the resolved the matter. The removal of refuse from the urban area has been adhered to with minimum standards of once per week collection for residential households and commercial properties. The Municipality engaged into a strategy of conducting an annual clean-up campaign where stakeholders and community join hands to clean and educate each other about cleanliness.

3.1.2. Free Basic Services (FBS)

Port St John's Municipality provides electricity free basic service through Eskom, and alternative energy in a form of paraffin or gas. The municipality irresponsible for the provision of free basic services refuse removal to qualifying households. The distribution of free basic services is done guided by the indigent policy, a policy that is approved by council and reviewed annually. The register is compiled for indigent beneficiaries and updated through system of Indigent management System. The municipality provided free basic services for waste collection to the deserving households. The number of households benefitted from free basic services in 2024/2025 was 9974, which includes free basic electricity and alternative energy.

3.1.3. Electricity:

Port St Johns Municipality has done regular maintenance of streetlight in ward 04 and ward 06. Eskom provides electricity in the rural areas of Port St John's. Further to that the Municipality received an INEP grant allocation of R 31 277 000.00 for electricity distribution in the rural areas. Only 858 out 1202 households were connected at the following villages, the remaining households will be connected in the next financial. There is a challenge with electrification because the municipality does not have a manager responsible for electrification. The following villages were planned for electrification this financial year. Electrification of households Ngqwale-Ntsimbini 105h/h, Tombo 115h/h, Ntlaleni 106h/h, Jambeni 106h/h, Dumasi 106h/h, Sobaba 105h/h, Nkampini 84h/h, Ngxongweni 83h/h, Amadwala-Qhoboshendlini 122h//h, Mswakazi 87h/h, Mpantu 79h/h, Phahlakazi 104 h/h. The highmast lights were not constructed this financial year due to the late appointment of the service providers to erect the highmast lights at following wards: 04,10,13, 16, 20. These will be moved for implementation in the next financial year 2025/2026.



Financial Performance Year 2024/2025: Electricity Services R'000					
Details	Year -2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	14622	12682	19747	18810	-48%
Repairs and Maintenance	5217	7800	10400	6852	12%
Other	4549	37697	40824	32141	15%
Total Operational Expenditure	24388	58179	70478	57803	1%
Net Operational Expenditure	24388	58179	70478	57803	1%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.3.7*

Electricity Service Delivery Levels				
Households				
Description	Year -2021/2022	Year -2022/2023	Year -2023/2024	Year 2024/2025
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.

Energy: **(above minimum level)**				
Electricity (at least min.-service level)	–	488	785	1,001
Electricity - prepaid (min.-service level)	–	587	846	565
Minimum Service Level and Above sub-total	–	1,075	1,631	1,566
Minimum Service Level and Above Percentage	0.0%	68.8%	67.5%	61.0%
Energy: **(below minimum level)**				
Electricity (< min-. service level)	112	488	785	1,001
Electricity - prepaid (< min. service level)	955	488	785	1,001
Other energy sources	–	–	–	–
Below Minimum Service Level sub-total	33	488	785	1,001
Below Minimum Service Level Percentage	100.0%	31.2%	32.5%	39.0%
Total number of households	33	1,563	2,416	2,567
T 3.3.3				

Employees: Electricity Services					
Task grade	**2023/2024**	**2024/2025**			
	Employees	**Posts**	**Employees**	**Vacancies (fulltime equivalents)**	**Vacancies (as a % of total posts)**
	No.	**No.**	**No.**	**No.**	**%**
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	3	1	2	67%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	1	3	1	2	67%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.3.6*

Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R31,277,000	R31,277,000	R30,727,295	98%	
Phahlakazi 104 Ward 1	R2,700,000	R2,700,000	R 2,646,029	98%	
Tombo 115 Ward 4	R2,980,000	R2,980,000	R 2,940,000	99%	
Sobaba 105 Ward 5	R2,718,500	R2,718,500	R2,718,500	100%	
Mpantu 79 Ward 6	R2,060,000	R2,060,000	R2,050,000	99%	
Ngqwaleni Ntsimbini 105 Ward7	R2,740,000	R2,740,000	R 2,359,051	86%	
Ntlanjeni 106 Ward 7	R2,756,000	R2,756,000	R2,755,999	100 %	
Mswakazi 87 Ward 11	R2,256,000	R2,256,000	R2,256,000	100 %	
Nkampini 84 Ward 14	R2,194,000	R2,194,000	R2,194,000	100 %	
Ngxongweni 83 Ward 16	R2,170,000	R2,170,000	R2,233,210	103%	
Emadweleni Qhoboshendlini 122 Ward 1	R3,180,000	R3,180,000	R3,060,533	96%	
Jambeni 106 Ward 19	R2,756,000	R2,756,000	R2,750,000	99%	
Dumasi 106 Ward 19	R2,766,500	R2,766,500	R2,763,970	99%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.3.8*

3.2. WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

3.2.1. Introduction to Waste Management

The municipality developed the Integrated Waste Management Plan (IWMP) and was endorsed by the MEC in August 2023. The IWMP is in line with the IDP Planning and cycle and will be valid until 2027. With regards to the implementation of IWMP, the municipality has a community recycling project which operates on our landfill site.

Port St John's town is the only urban area in the Port St John's Municipality area (PSJ LM) and constitutes only 2.6% of its total population; hence economic activities associated with urban areas (e.g. industry) do not exist in the municipality. It is only in town and in some tourism nodes where waste management actively takes place. This function of waste management is not extended to rural areas. Most of the Port St John's Local Municipality area is rural in nature, as are their economic activities.

The active economic sectors of the Port St John's Local Municipality can be divided into community services, trade, agriculture, transport, construction, electricity, energy, & mining and they are mainly clustered around the main urban node. The municipality has very limited resources to adequately provide the service to all its areas. The reviewed Integrated Waste Management Plan (IWMP) was adopted by the Council in the previous financial year, MEC endorsed it during the reporting period. Port St John's Municipality conducted an annual cleaning campaign in May 2024 as one of the means of educating people about waste management and its impact on the environment. The municipality has a community recycling project (Vukayibambe recyclers) taking place at land fill site.

3.2.2. Waste Management achievements

Port St Johns Municipality won a competition for the Greenest Award at District Level and became number 1 with an award of R200 000 which bought the working material such as the grass cutters and canvas covers to mention the few. The material was bought by the district. In the provincial award an amount of R300 000 was won as the municipality won second prize and the Bakkie was purchased through the provincial award. The municipality has been receiving the award for the past 3 years and received a national acknowledgement award as well where the municipality was awarded a tipper truck. The following areas are workstations where waste was collected:

Mpantu (Business and Residential Area), Agate Terrace (Residential Area, B&B Establishments), Greens Farm (Informal Settlement), Naval Base, Second Beach (Business and Residential), Military Camp, CBD, Second Beach residential area, Tombo Business Area and Isinuka Area. The removal of illegal dumps has been carried out around the municipality CBD.

On cleaning and greening, the municipality has identified three (3) schools to plant vegetables which will also assist in school nutrition. These schools are Roma SPS in ward 06, Caguba High School in ward 05 and Jabavu Senior secondary school. The revenue made at Jabavu was R7 100,00 for harvesting and selling vegetables at Tombo Supermarket.

3.2.3. Landfill site management

The municipality has licensed landfill sites, and the monitoring of landfill sites has been done, and medical waste is monitored by the Landfill site attendant during disposal of waste at the Landfill site. We would also like to reflect that there are two recyclers that are stationed at the landfill sites which are Ekuphileni and PSJ recyclers. The development of Parks has also assisted in the management of illegal dumping, we have Mpantu Park, the second beach park where the municipality installed the tabled and at Isinuka Park.

The removal of waste is done in 10 areas around Port Refuse collection services from Mpantu, Agate Terrace, Greens farm, Naval base, Second beach, Military camp, CBD, Tombo and Isinuka. Port St Johns Local Municipality (PSJLM) collects waste from the urban formal and informal area and Tombo Business Area. There are 371 indigent's households, 104 Businesses and Rate payers.

Solid Waste Service Delivery Levels			
	Households		
Description	2022/23	2023/24	2024/25
	Actual	Actual	Actual
	No.	No.	No.
Solid Waste Removal: **(Minimum level)**			
Removed at least once a week	2846	2235	2235
Minimum Service Level and Above sub-total	2846	2235	2235
Minimum Service Level and Above percentage	100%	0%	0%
Solid Waste Removal: **(Below minimum level)**			

Removed less frequently than once a week	565	523	523
Using communal refuse dump	487	865	865
Using own refuse dump	565	523	523
Other rubbish disposal	938	720	720
No rubbish disposal	124	124	124
Below Minimum Service Level sub-total	2678	2755	2755
Below Minimum Service Level percentage	0	1	1
Total number of households	**5524**	**5524**	**5524**
			T 3.4.2

Employees: Solid Waste Management Services					
Job Level	2022/2023	2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	49	74	45	29	39%
4 - 6	6	15	5	10	66%
7 - 9	0	2	1	1	50%
10 - 12	2	2	2	0	0%
13 - 15	0	1	0	1	100%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	57	92	53	41	45%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.4.5

Financial Performance Year 2024/2025: Solid Waste Management Services					
					R'000
Details	Year -2022/2023	Year 2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1173	2170	3394	1966	91
Expenditure:					
Employees	32088	27352	38683	36727	134
Repairs and Maintenance	35	1750	1507	369	21
Other	5665	14299	16916	11185	78
Total Operational Expenditure	37788	43401	57106	48281	111
Net Operational Expenditure	-36615	-41231	-53712	-46315	112
b					*T 3.4.7*

Financial Performance Year 2024/25 Waste Disposal and Other Services R'000					
Details	Year -2023/24	Year 2024/25			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
Total Operational Expenditure	0	0	0	0	0%
Net Operational Expenditure	0	0	0	0	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.4.8*

2.3.4. COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL: -

Port St John's Municipality is responsible for providing refuse removal service for its communities in town and surroundings. Due to limited resources, the services are limited to the urban node. In the areas where the service is currently rendered, the Municipality collected waste on a weekly basis. According to Statics South Africa 2022 the Municipality services 18.7% of its population. The major challenge in providing the service for the entire Municipality is the limited resources.

The sub-function of waste management includes refuse removal, land-fill site management, and street cleaning. Out of the functions stated, the municipality generates the following estimated quantities: -

FREQUENCY	QUANTITY (TONS)
Per month	1989
Per year	23 656

The capital projects prioritise for the financial year were not completed as such moved to the next financial. The municipality has conducted its annual cleaning campaign with support from stakeholders like DEFF, DEDEAT, O.R. Tambo District Municipality Municipal health, and other stakeholders. The aim of the campaign was to educate communities about the risks of an unhealthy environment, their impacts and promote sustainable living spaces. This campaign also raised awareness to keep the environment clean. The recycling project that was established continued to receive support and mentoring from the Municipality, O. R. Tambo District Municipality and the Department of Economic Development, Environmental Affairs and Tourism.

Rehabilitation of the land fill site was done on a quarterly basis using internal and hired plant. The availability of machinery remained a challenge for sustainable management of the land-fill site according to the license conditions and best practices. The initiative to improve security of the landfill site through fencing and electrification was not finalised.

3.5 HOUSING

3.5.1 Introduction to Housing

The Municipality through the assistance of the Department of Human Settlements (DoHS) developed a housing sector plan that has been aligned to the Integrated Development Plan. It is used to guide housing development within the municipality. Department of Human Settlements is the primary funding agent for housing development in Port St John's. It is also the developer for the projects identified and budgeted for. The role of the municipality is limited to human settlement development facilitation and beneficiary administration. The progress of the housing projects implemented within the municipality has been very slow due to low subsidy quantum on the human settlement policy and limited budget for Human Settlements projects. Out of the hundred houses planed, seventy-four were provided.

Capital Expenditure Year 2024/2025: Housing Services					
					R' 000
Capital Projects	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
Ntafufu 350	R 22 520 595.20	0	R 5 397 700	0%	R 5 397 700
Port St Johns 259	R 47 250 730	0	R 36 367 095	0%	R 36 367 095
Caguba 300	R 274 654 05	0	R 236 800 00	0%	R 236 800 00
Port St Johns 256 & Port St John's	R 41 321 134.00	0	R 14 435 801	0%	R 14 435 801
Bolani 97 Destitute	0	0	0	0%	0
Mthumbane 321	R 60 900 000.00	0	R11 597 308.94	0%	R11 597 308.94
Port St Johns 50	R 6 100 000.00	0	R 5 208 000.00	0%	R 5 208 000.00
	0	0	0	0%	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.5.6*

3.5.2 COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The Department of Human Settlements appointed the Service Provider to conduct feasibility studies for seven projects that were prioritized by the Municipality other than the projects that are in the implementation stage. The additional priorities include the following projects. The projects that were running in this financial year are –

Ntafufu, Port St Johns 259, Caguba 300, Port St Johns 256, Bolani 97, Mthumbane 321 and Port St Johns 50 and projects have incurred expenditure. Municipality is in the process of formalizing informal settlements around port St John's town namely Mpantu, Nonyevu, Zwelitsha and greens Farms. The final report on the study has been completed and therefore recommended that these future projects' numbers be reduced from at least between 200 to 300 units per project to be much more implementable. Through the intervention of the MEC for Human Settlements to address the Human Settlements backlog in Port St John's Municipality, 200 units have been approved and 10 beneficiaries were allocated per ward, and that process has been completed.

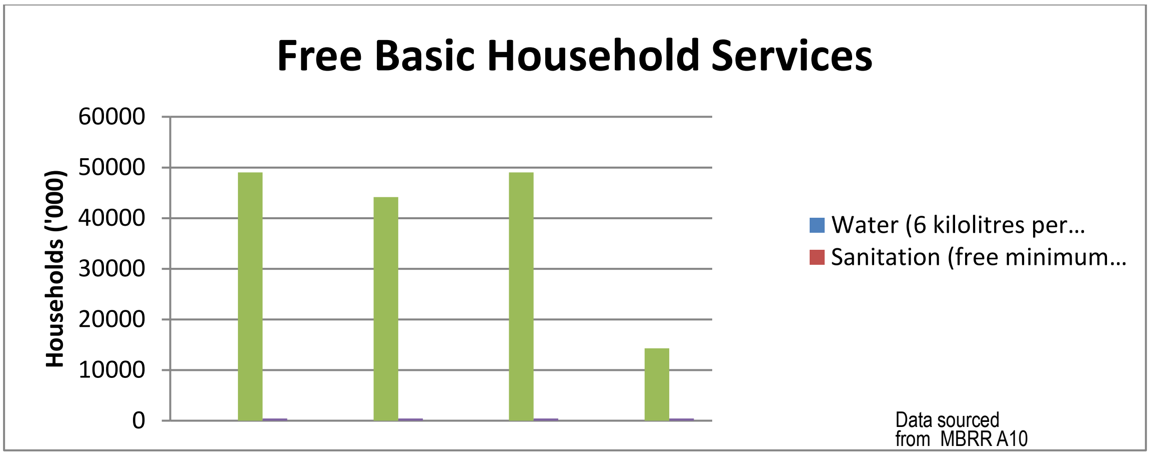
3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT

3.6.1 Introduction to Free Basic Services and Indigent Support

The Constitution of the Republic of South Africa Act, 1996, in the Bill of Rights protects social and economic rights, which include Free Basic Services (FBS). The role of developmental local government in partnership with the other spheres of government, that is, provincial and national, is to ensure the improvement of access of free basic services by the vulnerable groups. FBS are, therefore, a poverty alleviation measure that exists to cushion poor households against vulnerability.

Port St John's Local Municipality adopted an indigent support policy which embodies an indigent support programme, not only providing procedures and guidelines for the subsidization of service charges to indigent households in its area of jurisdiction, but also to increase the quality of life of the beneficiaries by assisting them to exit from indigence. The indigent support offered by Port St John's Local municipality is free basic electricity, and alternative energy in a form of nine kg gas cylinder and two burner gas stoves. Indigent register for 2024/25 was approved by Council. Port St John's is largely rural with a huge need for indigent support, the municipality continues to update its indigent register on an annual basis.

The number of households benefitted from free basic services in 2024/2025 was 9974which includes free basic electricity and alternative energy. The target for 2024/2025 was 9043 as per the IDP and SDBIP, the municipality realized an over achievement in FBS. Below are the pictures where the municipality was handing over alternative energy this financial year.



Financial Performance Year (0) 2024/2025: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year 1(2023/2024	Year 0 (2024/2025)			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	0	0	0	0	0%
Wastewater (Sanitation)	0	0	0	0	0%

3.6.2 COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality offers Free Basic Services in a form of electricity, alternative energy and refuse removal to the needy. Water and sanitation services are offered by O.R. Tambo district municipality. The indigent policy is implemented with indigent register updated annually to ensure it is inline wth the policy and other related legislations. The Municipality has put efforts to ensure that indigent services are provided but due to resoure limitations it finds it difficult to provide to the sastsfaction of the needy.

3.7 ROADS

3.7.1 INTRODUCTION TO ROAD TRANSPORT

Integrated Transport plan was done with the assistance of O.R. Tambo District Municipality and is still valid. The Municipality conducts need assessment from communities on an annual basis as required by chapter 4, & 5 of the constitution of the Republic of South Africa (Act 108 of 1996). After assessment of service needs from communities to be included in the IDP of the municipality in each financial year, priorities are done as per needs assessment and implementation is monitored through SDBIP, Operation and Maintenance and monthly MIG reports.

For the current year, the municipality planned to construct 39,8 km of the new gravel roads. A total number of 18,3km was achieved.

For the provision of access, the municipality has a responsibility to ensure that the construction of bridges and three bridges were completed.

Gravel Road Infrastructure				
				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2022/23	15.00	7.00	1.00	259.20
2023/2024	09	64.8km	1.8km	649.9km
2024/2025	06	39.8km	2,442m	195km
				T 3.7.2

Tarred Road Infrastructure					
					Kilometers
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2022/23	01	01	0	0	1.8km
2023/24	2	2	0	0	1
2024/25	3	3	0	0	3,172km
					T 3.7.3

Cost of Construction/Maintenance						
						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2022/2023	33345	0	4900	0	0	0
2023/2024	34000	34000	6100	33000	0	0
2024/2025	105,467,742.74	105,467,742.74	6100	33000	0	0
						T 3.7.4

Employees: Road Services					
Task grade	Year - 2023/2024	Year 2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	11	14	14	0	0%
4 - 6	1	1	1	0	100%
7 - 9	0	0	0	0	0%
10 - 12	3	6	6	2	50%
13 - 15	1	1	2	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	5	8	23	3	38%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.7.7

Financial Performance Year 2024/2025: Road Services
R'000

Details	Year - 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	65536	65785	65907	0
Expenditure:					
Employees	14622	11081	18104	19747	0
Repairs and Maintenance	5217	8400	11100	7266	0
Other	4549	10328	14313	7999	
Total Operational Expenditure	24388	29809	43517	35012	0
Net Operational Expenditure	-24388	35727	22268	30895	0
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.7.8*

					`66gg
tt	Year 2024-2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	105,467,742.74	96,108,844.94	83,620,089.43	0	
Goqwana access Road	R 7,555,000.00	R 7,555,000.00	R 7,168,748.91	0	R 7,555,000.00
Buchele Access Road	R 7,561,014.82	R 8,632,872.32	R7,194,049.07	0	R 8,632,872.32
Mbabalana Access Road	R 9,094,086.29	R 10,193,264.34	R 8,300,841.99	0	R 10,193,264.34
Mbokazi Access Road	R 7,890,000.00	R 7,890,000.00	R 7,120,493.22	0	R 7,890,000.00
Cibathi Access Road	R 7,037,506.65	R 7,037,506.65	R 5,756,024.84	0	R 7,037,506.65
Ludalasi Access Road	R 7,965,362.94	R 7,965,362.94	R 7,534,207.84	0	R 7,965,362.94
Ward 14 Community Hall	R 4,226,619.30	R 4,226,619.30	R 3.069,890.00	0	R 4,226,619.30
Military Base Sport Filed Facilities	R4,011,580.62	R4,011,580.62	R0.00	0	R4,011,580.62
Aggate phase 3	R44,779254.94	R44,779254.94	R30,109,956.84	0	R44,779254.94
Mthumbane Concrete Slab	R 9,358,897.80	R 9,358,897.80	R 7,365,876.72		R 9,358,897.80
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

3.8.1. Introduction to Transport

The Municipality has a driving license testing centre that is operational but is only limited to leaners license testing with the view to extend the scope in future to include the vehicle registration and testing of driving licenses. Construction of the testing ground cis underway planned for completion in the next financial year.

Financial Performance Year 0: Transport Services R'000					
Details	Year - 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
Total Operational Expenditure	0	0	0	0	0%
Net Operational Expenditure	0	0	0	0	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.8.5*

3.8.2. Comment on the performance of transport overall:

The Municipality has managed to make the driving License centre operational during but only limited to issuing of learner's license

3.9. WASTE WATER (STORMWATER DRAINAGE)

3.9.1 Introduction to stormwater drainage

The storm water management is addressed during implementation of access roads, and it is catered for in all road's projects. Storm water drainage is maintained continuously to ensure that no blockages that can cause flooding due to overflow. Construction and mechanical unit is responsible for maintenance of drains in all existing roads using internal resources (Machinery & human resources).

Stormwater Infrastructure Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2022/23	39		0	8
2023/24	38		0	0
2024/25	43		0	1900
				T 3.9.2

3.10. PLANNING AND DEVELOPMENT

3.10.1. Introduction Planning

The Development Planning unit develops and implements policies for regulating the use and development of land in support of the Municipal IDP plans and vision. The Unit works towards guiding new development that allows for growth while advertising impacts, protecting sensitive natural areas, promoting good urban design, ensuring adequate infrastructure to accommodate growth, and lessoning the impact of new development on existing settlements.

The Development Planning Unit is involved in various projects which assist other service delivery units to focus on problem solving to uplift and sustain development within the Municipality as a whole. The unit also supports a wide range of economic development programmes that are aimed towards enabling Municipal-wide growth and sustainable development.

The Municipality has adopted key spatial development strategies (Port St John's Master Plan, Nodal Development Strategy and Spatial Development Framework). These strategies have been linked to the Integrated Development Plan and are geared towards addressing spatial disparities in both rural and urban areas. The above-mentioned strategies are also used as guidelines for development coordination and investment promotion. Funding for implementing projects identified in the strategies remains a challenge.

The Municipality does not receive substantial number of land use applications, as a result, there are no backlogs. It is also worth noting that the decision-making body for land use and land development applications for the Municipality being the joint planning tribunal established with Ingquza Hill Local Municipality for a period of 5 years from 2018 in terms of SPLUMA lapsed in 2022 and since then the Municipality could not make any decision on such applications. The Unit is also responsible for the following functions related to building inspectorate; Building Plan approval services and consultation; The inspection of various stages of building work; Attending to complaints regarding building work, dangerous buildings, storm water problems advice on demolitions. The municipality was able to achieve the target it set to approve plans without concerns within three weeks of submission. However, a building control office has not been employed which has resulted in limited building construction monitoring as stipulated in the National Building Regulations and Building Standards Act.

Applications for Land Use Development 2023-2024							
Detail	Formalisation of Townships		Rezoning		Built Environment		
	Year - 2022/2023	Year 2023/2024	Year - 2022/2023	Year 2023/2024	Year 2022/2023	Year 2023/2024	Year 2024/2025
Planning application received	0	0	2	1	0	0	0
Determination made in year of receipt	0	0	0	0	0	0	00
Determination made in following year	0	0	0	0	0	0	0
Applications withdrawn	0	0	1	0	0	0	0
Applications outstanding at year end	0	0	0	1	0	0	0
						T 3.10.2	

Planning Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -2022/2023		Year 2024/2025			Year 2023/2024	Year 3 2024-2025	
		Target	Actual	Target		Actual	Target		
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Determine planning application within a reasonable timescale	Approval or rejection of all build environment applications within a x week	Determination within x weeks	Determination within x weeks	Determination within 12 weeks	Determination within 12 weeks	Determination within x weeks	Determination within 11 weeks	Determination within 8 weeks	Determination within 8 weeks
	Reduction in planning decisions overturned	0 planning decisions overturned	0 planning decisions overturned	0% planning decisions overturned	0% planning decisions overturned	0 planning decisions overturned	0% planning decisions overturned	No planning decisions overturned	No planning decisions overturned
		0	0	0	0	0	0	0	0
*Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*									*T 3.10.3*

Employees: Planning Services					
	2023/2024	2024/2025			
Task grade	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	2	0	2	100%
7 - 9	0	0	0	0	0%
10 - 12	0	4	1	1	25%
13 - 15	1	2	2	2	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	100%
Total	1	8	3	5	63%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 3.10.4

Financial Performance Year 0: Planning Services					
					R'000
Details	Year -2023/24	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1219	0			0%
Expenditure:					
Employees	4772	7394	7635	3798	49%
Repairs and Maintenance	0	0	0	0	0%
Other	2889	16470	16802	12412	25%
Total Operational Expenditure	7661	23864	24437	16210	32%
Net Operational Expenditure	-6442	-23864	-24437	-16210	32%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.10.5

Capital Expenditure Year 2024/25Planning Services					
					R' 000
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	750	750	0	100.00%	
Spatial Development Framework	0	0	0	100.00%	0
Land Use Scheme	0	0	0	100.00%	0

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

T 3.10.6

3.10.2. COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Spatial Planning plays a crucial role in shaping physical environment and guiding development. Key roles that the Unit is discharging include. Land use management where there is regulation of land use, zoning and subdivision to ensure compatible uses, housing development which include facilitation of housing development. GIS by maintaining spatial data, maps and analysis to inform planning decisions. This financial year the municipality has developed comprehensive Spatial development Framework, Land Use Scheme and Mater Plan taking into cognisance of new development. Land Audit is one the projects that the municipality has engaged on, but the projects will be finalised in 2024/2025 financial year. Bylaws on prevention of illegal eviction and outdoor advertising have been adopted by the Council There is still a prevalent challenge of land claim.

3.11. LOCAL ECONOMIC DEVELOPMENT

The municipality established a fully-fledged LED Unit led by Senior Manager Planning and LED with 2 managers in the section, Manager LED and Manager Rural Development. The unit reports to the LED Committee and has developed the LED strategy which was approved in 2024/2025. Several key legislative and policy documents were considered during the review of the strategy. The review was necessary to ensure appropriate alignment with national, provincial and district policies. The LED strategy review process must be informed by and aligned with national, provincial, district and local level priorities and our LED Strategy had complied.

While the community is at the centre of all efforts, local economic development is underpinned by private sector initiative and government support. Local SMMEs are included in the private sector, in addition to big businesses. The local municipality in Port St. Johns is referred to as the government in this context, with supporting functions also played by the district, province, and other branches of the public sector. There are several issues that need to be resolved to ensure that future developments do take place as well as to attract investments. Infrastructure needs urgent planning, as well as upgrading to be able to deal with future growth and development.

The focus therefore needs to be on these critical aspects in terms of planning, fund raising and implementation. Improvement of civil services, especially sewage and storm water; improvements to road infrastructure; finalisation of land transfers to complete the land restitution project and the compilation of an Environmental Management Plan to clarify environmental issues are all identified as critical actions with regards to the town's development.

The approved LED strategy has goals, key pillars and projects as follows:

Goals:

- Economic Diversification
- Business Retention and Expansion
- Economic Infrastructure
- Technology and digital Infrastructure
- Tourism Development, marketing, and Promotion
- Arts, Crafts, and cultural promotion
- SMME development and poverty alleviation including support to informal Traders.
- Investment Promotion, Business development and support
- Innovation and Entrepreneurship
- Foster Partnerships and collaboration
- Exports and trade

Targeted Sector Support

Agriculture.

It is identified as the fruit hub of the Eastern Cape due to various fruits that are grown in the area. The municipality is in the processing of having banana hub, fruit packaging centre and fresh produce market. Other commodities include maize production, livestock, macadamia nuts and honey. Port St Johns is as knows for cannabis production due to indigenous farmers growing cannabis. One of the great challenges facing the agricultural sector is to increase the number and variety of viable and sustainable economic agricultural enterprises.

The global downturn in the past few years has further amplified this challenge. Government is of the view that strengthening competitiveness and promotion of small and medium-sized enterprises and cooperatives remain cornerstones for the growth of the economy and the creation of decent work opportunities. In the agricultural sector, it is found that entrepreneurial and management skills/abilities are lacking in many individuals who are trying to access enterprising opportunities.

The climatic conditions render Port St John's viable for several agricultural products. Although agriculture is prevalent throughout the area, it is not a significant contributor to the economy of the area because of its subsistence nature. Agriculture appeals to the rural nature of settlement throughout the municipality, whilst accounting for the biophysical endowments that support the up scaling of this form of activity. The main objective for agricultural development is to recognise the fact that most agricultural activity in the locality is currently undertaken by small holders, and that commercial enterprise is currently in the bounded in its possibilities by the land tenure system.

Tourism

Port St Johns is a popular holiday destination due to the excellent fishing sports at the river and seas. Other activities on offer include golf, hiking boat-based dolphin viewing, quad biking, fly fishing and Silaka Nature Reserve. Because of its setting, natural beauty, and man-made attractions, Port St. John's enjoys an advantage over its competitors. To maximise the number of tourists and their spending in the area, this goal will solve the difficulties associated with product creation and marketing. According to Port St. John's local economic development strategy, the tourism industry is expected to grow. It could boost economic activity and serve as a job generator.

Enhancement of Rural Livelihoods

This goal recognises the fact that over 90% of our community resides in non- urban settings as such it is important that one of the strategic goals directly seek to uplift the quality of services and programmes implemented. Infrastructure has been identified as deemed to be predetermining for any forms of investment and thus development of the area. In effort to enhance rural live hoods, the department continues to support small scale farmers with agricultural inputs as means to ensure food security to our communities.

Informal trading represents some of the initiatives taken by the rural unemployed as means of addressing the challenges of unemployment and poverty. Informal trading involves unorganized small-scale, self-employment creating activities which might involve individuals or unremunerated relatives of the business owner. The municipality therefore recognises the role played by informal trader in improving rural livelihoods. Through a developmental approach, the Municipality seeks to facilitate the access to job and entrepreneurial opportunities within the informal trading sector. Furthermore, and the nurturing of a positive relationship with the formal business sector and consumers by providing a stable regulatory and flexible management environment that is predictable, empowering, and sustainable.

Enterprise Capacitation

The development of small businesses is recognized as a common strategy for Local Economic Development in South Africa. The municipality is playing a facilitator role between government departments and agencies to support SMME's and further play a pivotal role in creating a conducive environment for entrepreneurial development.

Through this sector support, the municipality aims at creating opportunities and tools to develop small business through procurement, a partnership with relevant partners and the development of a small business programme for the area. This approach ensures that the Municipality addresses in a more effective way interrelated objectives of poverty eradication, employment creation and economic growth. It also includes the development and use of labour intensive and community-based construction measures and affirmative procurement to direct infrastructure to SMMEs. Promotion of Entrepreneurship spirit, development of Small Enterprise and the Cooperatives has been identified as crucial area of consideration. This goal addresses issues on the creation, attraction, and retention of enterprises either small or large business.

Key Pillars:

- Tourism Development and Promotion
- Entrepreneurial Development and Support
- Agricultural Development
- Infrastructure Development
- Skills Development
- Enabling Municipal Environment
- Projects implemented in the financial year are as follows:
- Construction of Mpantu Hawkers' Stalls
- Construction of Staircases at Isinuka
- Development of an Agricultural Support Plan
- Support to Small Scale Farmers with Agricultural Inputs
- Facilitation of Isingqisethu Cultural Festival
- Hosting of Cultural Heritage Celebrations
- Training of SMME's on manufacturing of cleaning products
- SMME Development and Support
- Implementation of the Community Works Programme
- Marketing and promotion of Port St Johns and craft products in Tourism events

- Training of SMME's in Construction
- Awareness workshops on Informal Trader By-laws
- Building Inclusive Green Municipalities

Targeted Sector Support

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Government is of the view that strengthening competitiveness and promotion of small and medium-sized enterprises and cooperatives remain cornerstones for the growth of the economy and the creation of decent work opportunities. In the agricultural sector, it is found that entrepreneurial and management skills/abilities are lacking in many individuals who are trying to access enterprising opportunities. The climatic conditions render Port St John's viable for several agricultural products. Although agriculture is prevalent throughout the area, it is not a significant contributor to the economy of the area because of its subsistence nature.

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Enhancement of Rural Livelihoods

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Key Pillars:

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- Building Inclusive Green Municipalities

Economic Activity by Sector			R '000
Sector	Year - 2022/2023	Year 2023/2024	Year 2024/2025
Agriculture forestry and fishing	2	4	9
Mining and quarrying	2	4	8
Manufacturing	63	65	65
Wholesale and retail trade	52	55	58
Finance, property, etc.	52	54	56
Government, community, and social services	25	27	30
Infrastructure services	41	60	67
Total	236.5	269	293
			T 3.11.2

Local Economic Employment by Sector			Jobs
Sector	Year -2022/23	Year -2023/2024	Year 2024/2025
Agriculture, forestry, and fishing	**No.**	**No.**	39 000
Mining and quarrying	30,000	36 000	36 000
Manufacturing	372,000	385 000	390 000
Wholesale and retail trade	270,000	270 000	285 000
Finance, property, etc.	210,000	230 000	240 000
Government, community, and social services	235,000	235 000	250 000
Infrastructure services	320,000	325 000	350 000
Total	450,000	490 000	1 590 000

T 3.11.3

Local Economic Development Forums

It is recognized that the LED unit and the development agency do not operate in isolation from other partners that are involved in various developmental programmes. This has led to the establishment of LED forums such as Business Chamber, Tourism Forum, hawkers' association ad contractors' associations amongst many that sit on quarterly basis. The LED forums are sitting on quarterly basis, and 4 meetings were held this financial year successfully.

Summary of Achievements

Tourism Development

- **Commercialisation of 15 Home Stays**: Successfully commercialised home stays, enhancing tourism offerings.
- **Marketing of Port St Johns (PSJ) as a Tourist Destination**: Actively promoted the municipality to attract more visitors through a catalogue developed showcasing municipal potential and distributed to strategic places
- **Showcasing at Trade and Tourism Shows**: Provided opportunities for agricultural entrepreneurs, artisans, and craftspeople to showcase their products in platforms such as Grahamstown Art Festival, Royal Show and Tourism Indaba. Furthermore, local flea markets were convened every quarter

Support for Small Businesses

- **Provision of Equipment**: Provided equipment to small businesses, including hair salons, divers, car washes, sewing entrepreneurs, and forestry-related businesses, to boost their operations.
- **Issuance of Business Permits**: Permits are issued to qualifying businesses, facilitating their operations. The Department managed to issue 40 business licenses to qualifying businesses

Agricultural Development

- **Supply of Agricultural Inputs**: Supplied inputs to farmers, supporting agricultural productivity.
- **Event Hosting and Strategic Partnerships**
- An annual River Mountain Run: Successfully hosted the event, securing sponsorships towards the success of the event
- **Cultural Events**: Hosted Sith'aba Cultural Event and Isingqisethu cultural events.
- **Partnerships**: Formed partnerships with municipalities like Buffalo City Metro and Winnie Madikizela Mandela to ensure collaboration on areas that will have the same impact on our communities

Policy Development and Capacity Building

- **Investment Fact Sheet**: Developed an investment fact sheet showcasing all the sectors. The tool has been developed to package areas where there is huge potential to attract investors.
- **LED strategy, development of bylaws and Policies**: A credible, innovative 5-year LED \\
- **u**strategy was developed and reviewed. Bylaws and policies were developed and approved

- **Capacity Building for Emerging Contractors**: Grade 1-3 emerging contractors were capacitated to '4etysensure compliance and the ability to be responsive when bidding

COMMENT ON LOCAL JOB OPPORTUNITIES:

Job opportunities were created mostly on the EPWP Projects that are under the Engineering services department as reported in the table below on EPWP. 497 employment opportunities have been created in the year under review through various EPWP projects and the projects implemented under the Small-Town Revitalisation funded by the Office of the Premier.

Government, community, and social services remain the major employer to the community of Port St Johns. This is attributed to the inability of the town to attract private investment because of dilapidated infrastructure. With the Eastern Seaboard Development/ Coastal Smart City to start from Port St Johns, it is envisaged that major infrastructure investment will be directed to the area which will attract more businesses thus creating more employment opportunities. Agriculture Forestry and Fisheries is one primary sector that if fully supported would contribute towards reducing unemployment in Port St Johns and a lot is still required to boost the potential of Majola and the fishing coastal communities. Mantusini dairy has remained the beacon of hope to the rural communities surrounding Mantusini and an integrated effort must ensue between government and private sectors, led by the local municipality to look at possible models of running the dairy farm.

Temporary employment opportunities created through implementation of SANRAL projects have benefited the local communities and with the projects planned under the N2 Wild Coast Highway, there are possibilities of employment for our local people. The municipality has implemented most planned projects in various wards thus creating temporary job opportunities. The Small-Town Revitalisation funded by the Office of the Premier continues to support our SMME's and local employment.

Description	Adjustment Budget 2024/25	Amount Received	Expenditure To Date	Expenditure %	Unspent %
EPWP	R 1,676,000.00	R 1,676,000.00	R 1,676,000.00	100%	0

Project	Key performance indicator	Annual target	Actual
Employment creation through EPWP	Number of employments created through EPWP	390	497

Employees: Local Economic Development Services		
Task grade	Year -2023/2024	Year 2024/2025

	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	2	1	1	50%
10 - 12	3	9	2	7	78%
13 - 15	2	2	2	0	0%
16 - 18	0	0	0	0	0%
19 - 20	1	1	1	0	0%
Total	7	14	6	8	57%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.11.8*

					R'000
Details	Year -2023/24	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	310	74	80	677	-815%
Expenditure:					
Employees	3052	5958	5958	4235	29%
Repairs and Maintenance	22	33	50	30	9%
Other	11480	11772	13802	11396	3%
Total Operational Expenditure	14597	15317	17364	14718	4%
Net Operational Expenditure	-14287	-15243	-17284	-14041	8%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the original budget. *T 3.11.9*

Capital Expenditure Year 2024/2025: Economic Development Services					R' 000
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0			
Refurbishment of adventure centre	478600	0	0	0	100%

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate. *T 3.11.10*

3.11.2. COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The municipality's economy is based mostly on LED, which prioritizes the development of the economic sectors that propel the economy. The municipality's primary sources of income are agriculture, tourism, and the maritime economy, all of which have significant economic growth potential. Sustainable partnerships with the commercial sector, the community, and sector departments enable the realization of LED. One of the initiatives to improve LED will be the implementation of mentoring programs to guarantee the supply of high-quality produce. Ocean-related economic activity encompasses both directly and indirectly ocean-based economic activity. The municipality has authorized fishermen who receive equipment assistance.

Travel to the municipality is a popular activity, drawing both domestic and foreign visitors. Due to its many attractions, tourism to the municipality is expanding rapidly. To guarantee that local businesses are promoted, there are marketing venues like the quarterly flea markets and tourism event, as well as the yearly Isingqisethu Provincial Event. River Mountain Run which benefits athletes, local artisans, visitors, and the lodging industry.

3.12. COMMUNITY SERVICES

3.12.1. introduction to Community and Social Services

The Community Services Department has the following key functions; establish, conduct and control facilities for the purpose of disposing human remains; Co-ordinate community needs for health services; Provide, manage and maintain libraries for public use in partnership with the Department of Sport; Arts and Culture and O.R. Tambo District Municipality.; Provide, manage and maintain community facilities for public use; Respond and provide support to affected communities; Provide recreational services to all communities; Improve social welfare of the community; Provide, manage, preserve and maintain any municipal place, land, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest;

- Ensure public safety,
- Waste management services

The department strives to provide and coordinate all the services listed above with the limited resources. There are funding constrains that impact on the provision of some of the services. The department consistently reports to Council on the externally managed services like health care service, disaster management and libraries.

3.12.2. LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC.)

Libraries: The purpose of providing library services is to provide communities at each stage of their development with access to educational material, information, programmes, and services that instil and nurture a culture of reading and lifelong learning.

Objectives.

Closing the gap between resourced and under-resourced communities

- Support the cultural, educational, and recreational needs of communities.
- Promote internet as a valuable research tool for information.
- Promote freedom of Information

Key programmes.

1. Library Week
2. Literacy day

Objectives of the Library week.

Highlighting how libraries promote access to information, as enshrined in the Bill of Rights
Enhancing nation building and community development by opening the doors of learning to all.
Showcasing libraries as desired spaces for connecting people to each other, learning resources, communities, government , the world and the environment; advancing literacy through the intellectual and aesthetic development of all ages; providing access to global knowledge and information in different formats to advance research and create new knowledge; fostering a spirit of enquiry and desire for lifelong learning; challenging one's own beliefs and inculcating a respect for diverse beliefs, opinions and views; contributing towards the development of an informed nation, and South Africa becoming an information society.

Literacy day,

International literacy day is an annual United Nations sanctioned event that falls on September 8 aimed at raising people's awareness of and concern for literacy issue. The Municipality also host this event annually and rotated amongst the schools within the Municipality. Inter-schools' competitions are also held on the day for drama, poetry, reading, storytelling, and other cultural activities. Awards are then handed to the top achiever for each of the sub-events.

Archives: The Municipality is still experiencing some challenges regarding archiving of documents due to insufficient resources; assistance was received from the Archives office in Umtata for development of necessary guiding documents (File Plan and Records Management policy) but have not yet approved by the Municipal Council.

Community facilities.

- **Community halls**

The municipality did not construct a new community hall during the year under review. Due to limited resources, it has also struggled to maintain the existing halls to a reasonable use standard. There are challenges that still need to be addressed to ensure that all community halls are kept at a state that they can be used and managed effectively by the municipality and the communities. There is a shortage of staff for managing the community halls and security personnel to guard against vandalism.

3.12.3. SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

The Municipality has a provision for the community services listed below which are maintained as required but due to limited resources, we might not provide services to the level expected by our communities.

Facility	Number
Community Halls	13
Sports facilities	5
Cemeteries	2
Beach facilities	9
Library	3
Heritage Sites	2
Parks	6

Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other					
Task grade	2023/2024	2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	1	2	1	1	50%
7 - 9	0	0	0	0	0%
10 - 12	1	2	2	0	0%
13 - 15	0	1	1	1	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	2	5	4	2	40%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T 3.12.4

Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other R'000					
Details	Year - 2023/24	Year 2024/25			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	550	550	840	556	-1%
Expenditure:					
Employees	436	801	801	464	42%
Repairs and Maintenance		60	60	40	0%
Other		417	712	334	20%
Total Operational Expenditure	436	1278	1573	838	34%
Net Operational Expenditure	114	-728	-733	-282	61%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the original budget. *T 3.12.5*

Capital Expenditure Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other R' 000					
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	96	0	101	5%	
Library Programs	100 000.00	100 000.00			
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.12.6*

3.12.4. COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERAL:

There were no capital projects for Libraries, Archives, Museums, Galleries, Community Facilities; and other in implemented in 2024/25 financial year. We have participated to the literacy day event that was convened by the Department of Sports, Arts, & Recreational and the Library week.

3.13. CEMETORIES AND CREMATORIUMS

3.13.1 Introduction to cemeteries & crematoriums

The Municipality has two official cemeteries, one of the cemeteries has reached its maximum capacity and the second cemetery is 99% full. The Municipality provides space for communities to bury their loved ones at the cemetery in town at a fee. There are no crematorium services provided by the Municipality.

3.13.2 Service Statistics For Crematories & Crematoriums

The Municipality experienced a challenge regarding cemetery services due to non -availability of space. The Municipality provided the grave digging services which is done and completed within 3 days of payment. We have since approached the Caguba Traditional authority and Caguba CPA to acquire a space for Cemetery development, but this did not bear any good results.

Employees: Cemeteries and Crematoriums					
Task grade	Year -2023/2024	Year 2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	3	6	3	3	50%
7 - 9	0	0	0	0	0%
10 - 12	0	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	3	4	3	1	25%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.13.4*

Financial Performance Year 2022/2023: Cemeteries and Crematoriums					
					R'000
Details	Year - 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	152	55	53	25	55%
Expenditure:					
Employees	1411	424	424	429	%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
Total Operational Expenditure	9282	5743	5743	9873	-72%
Net Operational Expenditure	-9130	-5688	-5690	-9848	-73%
					T 3.13.5

Capital Expenditure Year 2023/24: Cemeteries and Crematoriums					
					R' 000
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	750	0	133	0%	
None	0	0	0	0%	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.13.6*

3.13.3 COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

In our plan for 2024/25 we planned to acquire a land parcel for Cemetery development project but due to delays to finalise agreement with Caguba traditional authority and CPA the project could not be implemented and as such it was moved to 2024/2025 due to challenges around the land issues.

3.14. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

3.14.1. INTRODUCTION TO CHILDCARE; AGED CARE; SOCIAL PROGRAMME

Social programmes.

The municipality hosts an annual mayoral cup, an event that is aimed at promoting sports development within the Municipality. In this financial year winners at ward level were given sports equipment and sports clothing

Childcare

The Municipality provides the following as part of childcare and support: -

- Handed over stimulation material to four (4) Early Childhood Development Centres

- Draft SPU Strategy

Youth

- Career EXPO
- Attended Youth Annual Economic Indaba
- Youth Summit

Aged care.

- Local Golden Games
- District Golden Games
- Alzheimer dementia awareness
- Attended Public hearing for the Social Development Older Persons Amendment Bill

Women

- Revived women structure
- Women empowerment & skills development: trained 18 women on sewing in partnership with ORTDM and Department of Social Development.

HIV/Aids Programmes.

- World Aids Day build-up program -Candlelight
- Re-launched HIV/AIDS Structure
- Local Aids Council Process Plan 2024/25

Disabled

- Disability Rights awareness program
- Launched Disabled People Organisation Structure
- Bought four (4) electric wheelchairs

GBV

- GBVF Rapid Response Team establishment

3.14.2. SERVICE STATISTICS FOR CHILDCARE

The Port St John's Municipality delivers childcare, aged care, and various social services through the Special Programs Unit, which operates under the Mayor's Office. This unit is dedicated to ensuring the wellbeing of the community, particularly focusing on vulnerable groups such as the elderly, persons with disabilities, children in need, women, youth, and individuals living with HIV/AIDS. The unit implements targeted programs aimed at providing support and care to these groups. A significant focus is placed on women empowerment through life skills training that equips both men and women with the tools needed for self-sufficiency.

Additionally, the unit runs awareness campaigns addressing issues of women and child abuse, helping to educate communities about their rights and the appropriate steps to take when facing such situations. During the financial year, the Municipality also established the Special Programs Forum, which serves as an umbrella body for all SPU initiatives. As part of its community development efforts, the Municipality hosted the Mayoral Cup frum 28th to 29th June 2025, a sports development initiative that began at the ward level and culminated in a local final, where winners received cash prizes and rotating trophies.

Employees: Childcare; Aged Care; Social Programmes					
Task grade	Year -2023/2024	Year 2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 – 3	0	0	0	0	0%
4 – 6	0	0	0	0	0%
7 – 9	0	0	0	0	0%
10 - 12	1	2	2	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	1	2	2	0	0%
*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.14.4*					

Financial Performance Year 2024/2025: Childcare; Aged Care; Social Programmes					
					R'000
Details	Year - 2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	381	716	716	716	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0		0	0	0%
Total Operational Expenditure	381	716	716	716	0%
Net Operational Expenditure	381	716	716	716	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.14.5

Capital Expenditure Year 2024/2025: Childcare; Aged Care; Social Programmes R' 000					
Capital Projects	Year 2024//2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	1 704 500	0	1 600 000	0%	
None	0	0	0	0	0%
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T 3.14.6

3.14.3. COMMENT ON THE PERFORMANCE OF CHILDCARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

The municipality coordinated the childhood development programs, women development forum, HIV/AIDS, TB & candlelight, plan, hosted disability sector summit, hosted disability rights months. These were aimed at promoting social cohesion and promote sports development. The programmes were very successful, and all wards participated in some of them.

3.15. ENVIRONMENT PROTECTION

3.15.1. Introduction To Environmental Protection

Port St John's is an environmental sensitive area with various environmental management issues, and has an environmental management office that is responsible for environmental related issues including EIA, Alien Plant vegetation, illegal sand mining, deforestation, illegal dumping etc.

3.15.2. Pollution Control

Port St John's has no measures to control pollution nor a budget thereof. Fire awareness campaigns are conducted quarterly by O.R. Tambo District Municipality to ensure that the community is aware of the dangers.

Employees: Pollution Control					
Task grade	Year - 2023/2024	Year 2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	0	0	0	0	0%
*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior*					

management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.15.4

Financial Performance Year 2024/2025: Pollution Control					
					R'000
Details	Year -2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	0	0	0	0	0
Repairs and Maintenance	0	0	0	0	0
Other	0	0	0	0	0
Total Operational Expenditure	0	0	0	0	0
Net Operational Expenditure	0	0	0	0	0
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.15.5*

Capital Expenditure Year 2023/2024: Pollution Control					
					R' 000
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
None	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.15.6*

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL: - . The Municipality has maintained regular cleaning and waste collection in town and surroundings. *T 3.15.7*

3.16. BIO DIVERSITY, LANSCAPE AND OTHER

3.16.1. Introduction Bio-Diversity And Landscape

No biodiversity and landscape related incident ever experienced and as such no measures of improvement was undertaken. The issues of biodiversity and landscaping are handled through DFFE. *T 3.16.1*

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE There are no capital projects or a budget for this function. *T 3.16.2*

Financial Performance Year 0: Biodiversity; Landscape and Other		
		R'000
Details	Year -2023/2024	Year 2024/2025

	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0%
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
Total Operational Expenditure	0	0	0	0	0%
Net Operational Expenditure	0	0	0	0	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.16.5*

Capital Expenditure Year 2024/25: Biodiversity; Landscape and Other R' 000					
Capital Projects	Year2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
None	0	0	0	0	0%
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.16.6*

Capital Expenditure Year 2024/2025: Biodiversity; Landscape and Other R' 000					
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
None	0	0	0	0	0%

3.17. SAFETY AND SECURITY

3.17.1. Introduction To Security & Safety

The Municipality provided public safety services in the form of Traffic Control Services, and security services. The Safety and Security Unit helps to ensure a safe environment and improves quality of life through effective traffic policing combined with efficient use of security officers. Traffic services include control and regulation of all forms of traffic; Promote education and training in road and traffic safety; Attend to scenes of motor vehicle collisions and assist with traffic control, removal of injured persons, and removal of vehicles so that traffic may flow freely. Eliminate points of congestion, obstruction, hindrance, interference, or danger to vehicles and pedestrians. Other areas of service provision that require the attention include by-law enforcement and crime prevention.

The internal Security Services section responsibilities include protection of municipal assets, and access control to municipal buildings. Security personnel provided services for protection of Municipal assets (movable and immovable). There were challenges regarding working tools, and human resource capacity (limited skills), due to limited financial resources. The Municipality is embarking on safety and lawful initiative. Key objective of this initiative is to provide camera surveillance of certain areas within the Municipality, so as to encourage a crime-free environment for the benefit of Port St. Johns communities, and to attract investors and promote development, tourism and job creation.

The Municipality in its commitment to fight against crime, closely works with partners such as South African Police Services, Department of Justice and other safety and security agencies in a bid to prevent and reduce the negative effect of crime to our communities. Port St John's municipality's structure on public safety unit has a limited staff compliment whose service is to fight crime or law enforcement. Only few traffic officers and security personnel who currently work with external stakeholders to combat crime.

The municipality is in a process for reviving its forums including safety forum. With the structures having been established and endorsed, the Municipality would developing a community safety plan that will coordinate and integrate the duties of the structure with the assistance of Department Safety and Liaison.

3.17.2. POLICE

3.17.2.1. Introduction To Police

Port St John's area has one police station situated in town. Port St John's police station assist in visible policing and crime fighting within the jurisdiction of Port St John's. An area of approximately 1 300 square kilometres in Port St Johns is currently policed. The ratio of functional police officials per community is reported to be 1:2377 whereas the recommended ratio is 1:500. That implies that there is still a shortage of workforce in the field of SAPS. The most common incidents are the following: - Attacks on tourists; Faction fights; Theft; Robbery; Domestic related crimes; incidents (road accidents and drowning) etc. The station, among its priority, is focussed on addressing rape, murders, armed robbery, house breaking and assault with grievous bodily harm. Their main objective, however, is to make the community safe and secure for all its members. These crimes are commonly believed to be because of lack of or limited streetlights in certain areas, liquor abuse, deserted informal houses, shebeens as well as incautious movements of tourists.

Community awareness programmes are constantly held by the police and the relevant stakeholders such as municipal law enforcement officers. This is most likely to reduce the crime rate in Port St John's Local Municipality.

3.18. OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

3.18.1. introduction to disaster management, animal licencing and control, control of public nuisances, etc.

Disaster Management is the District Municipal function, and Port St Johns Municipality plays a facilitation role. Animal control will soon be addressed through animal pound that is underway. Control of public nuisances is addressed using the by-laws enforcement.

3.18.2. SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

The Municipality was hit by floods in the previous financial year which had an effect to the plans of the current year. Some people were displaced due to the fact their houses were severely damaged. We received some assistance from all corners of the country to rescue the situation. Port St Johns was declared as a disaster zone. Some of our infrastructure assets and project such as roads, bridges and buildings were badly affected, and assistance had to be requested from various institutions to repair the damaged areas.

Comment On the Performance Of Disaster Management, Animal Licencing And Control Of Public Nuisances, Etc Overall:

Disaster Management is managed at a district level. We acquired a land parcel for the development of the animal pound for control of animals otherwise we do not provide licensing services for animals.

3.19. SPORTS AND RECREATION

3.19.1. Introduction to Sport and Recreation

The main priority regarding sports development was the hosting of the mayoral cup and assisting the Department of Sports, Arts and Culture to successfully host the annual festival (Isingqisethu) in Port St John's. Mayoral cup is meant t enhance sport development in Port St Johns in different areas of sport.

3.19.2. SPORT AND RECREATION

3.19.2.1. SERVICE STATISTICS FOR SPORT AND RECREATION

The municipality planned to maintain two sports filed of which were not done due to challenges related to supply chain processes.

Employees: Sport and Recreation					
Task grade	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	1	1	0	1	100%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%

Total	1	1	1	1	50%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 3.23.3

Comment On The Performance Of Sport And Recreation Overall:

Port St Johns hosts mayoral cup annually and it has a budget for that with all the twenty wards participating. The Mayoral cup was hosted in May 2024 with tournaments started at ward level. The winners were ward 11 men's soccer team, ward 02 ladies' soccer and ward netball team

3.23. CORPORATE POLICY OFFICES

3.23.1. INTRODUCTION TO CORPORATE POLICY OFFICES, Etc.

Policies are developed to establish expectations and to provide guidance on how to consistently handle workplace situations. Although most company policies are not all-encompassing, they provide direction regarding what is appropriate as well as inappropriate or unacceptable behaviour. Corporate services department is the driver of the policy development in the municipality. These policies are then taken to council for approval following internal processes.

3.23.2. EXECUTIVE AND COUNCIL

3.23.2.1. Introduction to executive and council

Council is the highest decision-making body in a municipality and seats every quarter unless a special council meeting is arranged by the Speaker for urgent matters. Port St John's Municipal Council has executive and legislative powers. The office of the Mayor and Speaker are full-time with the rest of the Council members' part -time. Council has five section 80 committees reporting to Executive, and six section 79 committees including Executive committee. Section 79 committees are performing functions delegated to them by council as documented in the delegation of responsibilities policy and directly reporting to Council Committees.

For purposes of administering political oversight the Council is supported by the following standing committees which are each chaired by a nominated Councillor. The following table reflects the committees of Council and their respective purposes, as well as the frequency of meetings during a financial year.

Committee name	Committee type	Functions	No. Of meetings
COUNCIL	Council	Political oversight	4 Ordinary Council meetings, Special Councils depend on the Municipal business
Executive Committee	EXCO	Deals with matters delegated to it by Council and legislation as indicated in the	4 ordinary EXCO, Special EXCO depend on the Municipal business

		delegation of responsibilities policy	
Budget Treasury Office Standing Committee	Section 80	Financial Management Oversight	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises
Local Economic Development & Planning Standing Committee	Section 80	All matters requiring attention arising from the provisions of the relevant legislation inline the departmental mandate and the Municipal Delegation Framework	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises.
Corporate Services & Planning, Research & IGR	Section 80	All matters requiring attention arising from the provisions of the relevant legislation inline the departmental mandate and the Municipal Delegation Framework	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises
Community Services Standing & SPU	Section 80	All matters requiring attention arising from the provisions of the relevant legislation inline the departmental mandate and the Municipal Delegation Framework	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises
Engineering Standing Committee	Section 80	All matters requiring attention arising from the provisions of the relevant legislation inline the departmental mandate and the Municipal Delegation Framework	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises
MPAC	Section 79	Deals with matters delegated to it by Council	4 Ordinary standing Committee Meetings. Special Standing Committee are convened as per need arises.
Rules, Ethics & Members Interests	Section 79	Deals with matters delegated to it by Council and legislation as indicated in the delegation of responsibilities policy	4 Ordinary standing Committee Meetings. Special Standing Committees are convened as per need arises

Petitions & Public Participation	Section 79	Deals with matters delegated to it by Council and legislation as indicated in the delegation of responsibilities policy	4 Ordinary standing Committee Meetings. Special Standing Committees are convened as per need arises
Women's Caucus	Section 79	Deals with matters delegated to it by Council and legislation as indicated in the delegation of responsibilities policy	4 Ordinary standing Committee Meetings. Special Standing Committees are convened as per need arises.
Audit, Risk & Performance Committee		Deals with matters delegated to it by Council and legislation as indicated in the delegation of responsibilities policy	4 Ordinary Committee Meetings. Special Committee meetings are convened as per need arises

3.23.2. SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

Each standing committee is operationally linked to one or more-line functional departments. In addition to the standing committees, Council has also established a Municipal Public Accounts Committee (MPAC) that is chaired by a nominated Councillor. The Municipality established a panel for performance management that is responsible for evaluating the Municipal Manager and other section 57 manager's performance. The Municipal Manager is the principal accounting officer employed in terms of section 54(a) of the Municipal Systems Act 32 of 2000. The Municipal Manager reports to council through the mayor and is supported by section 57 managers who are contracted for a five-year term. These section 57 managers directly report to the Municipal manager. With this complementary structure, the Municipality in the financial year under review took a resolution to focus on improving road networks in its rural municipal area. The Municipality also committed to focus and explore ways to improve local economic development in the municipal area. Much focus has also been projected towards improving social services more especially public amenities.

Employees: The Executive and Council					
Job Level	2023/24	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	6	7	7	2	29%
7 - 9	4	12	9	3	25%
10 - 12	3	4	4	0	0%
13 - 15	2	3	2	1	33%
16 - 18	0	0	0	0	0%

19 - 20	0	0	0	0	0%
Total	15	26	22	6	23%
*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.24.4*					

3.23.4 COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

The council and its committees adhered to the scheduled meetings that were approved at the beginning of the financial year and where the meeting is rescheduled for the next convenient date. The Council successfully convened a strategic planning session to review the integrated development plan and later approved Integrated Development Plan and budget for financial year 2024/2025.

3.24.FINANCIAL SERVICES

3.24.1 Introduction to financial services

The municipality's financial services office is made up of the following units: Budget & Reporting: Responsible for preparation of the budget and related policies. This section has also ensured that the Municipality's Annual Financial Statements are prepared, and this is evident by qualified audit opinion (with matters of emphasis) expressed by the Auditor General's office during the past financial year audits and the current year's audit.

Expenditure Management: Responsible for monitoring payments made to service providers, ensuring that controls exist regarding the municipality's contract management and that all payments made by the municipality have followed the proper control process.

Supply Chain Management (SCM): Responsible for monitoring controls over the procurement process and ensuring that controls exist to mitigate against any risks that might affect the supply chain processes. The unit oversees procurement process from minor purchase order, mini tenders to open bid tenders and reports on the system in place to Provincial and National Treasury as stipulated in the Local Government Municipal Finance Management Act No.56 of 2003.

Debt Recovery R' 000							
Details of the types of account raised and recovered	Year -2022/2023		Year 2023/24			Year 2024/2025	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	11270	74.40%	10916	10916	66%	8754	94%
Electricity - B	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electricity - C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water - B	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water - C	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Sanitation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Refuse	1187	46%	804	804	42%	861	88%
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.							*T 3.25.2*

Financial Performance Year 2024/2025: Financial Services R'000					
Details	Year -2023/2024	Year 2024/2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	69268	37856	37856	40838	-8%
Expenditure:					
Employees	9089	9572	9321	9089	-195%
Repairs and Maintenance	3387	1460	1955	1468	-1%
Other	12351	16379	17889	10384	37%
Total Operational Expenditure	24827	27411	29165	20941	24%
Net Operational Expenditure	44441	10445	8691	19897	48%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					*T 3.25.5*

Capital Expenditure Year 2024/2025: Financial Services R' 000					
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	457	491	450	8.35%	
Computers & accessories	75	75	61	18.66 %	50
Furniture & Fittings	82	82	55	32.9%	50
Motor vehicle Purchase	300	334	334	0%	323
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.25.6*

Comment On The Performance Of Financial Services Overall:

There were no major challenges in the financial performance of the municipality, however most of the targets set according to the IDP were achieved.

3.25. Human Resource Services

3.25.1 Introduction to human resource services

Improvement on quality of administration through the introduction and review of policies. Increase of the capacity through recruitment or filling of vacant positions. Improvement on relations between the labour and the employer. Empowerment of employees or staff through skills development and training. Improvement on management of overtime and leaves through periodical reconciliations.

Improvement of wellness through provision of employee assistance programs and sporting activities. Salary and employee benefit administration.

3.25.2 SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The Municipality has necessary skills to deliver services to the communities, though in some cases support is required from the District Municipality, SALGA, COGTA and Treasury. This is because of the areas where we identify some gaps that can hinder us from fulfilling the mandate of the Municipality.

3.25.3 COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Capacity building programs were rolled out for both councilors and officials, namely, project. The municipality continued with its partnership with Sector Education Training Authorities for provision of internships.

3.26. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

3.26.1 Introduction to information and communication technology (ICT) services

The municipality has a standalone ICT unit; however, it is not yet fully developed. Due to budget constraints and limited institutional capacity, the ICT infrastructure is not operating at optimal performance. Nonetheless, some improvement initiatives have been implemented to enhance the current systems.

3.26.2. SERVICE STATISTICS FOR ICT SERVICES

Port St Johns municipality had ICT steering committee but was not functioning to the expected level due to the limited capacity within the unit. The reviewed structure has made provision for the fully fledged ICT unit to keep up with new development in the Country. The Unit relies on Cloud Service providers for Financial Systems and Human Resource Systems (Promun and Payday), and our personnel can handle other ICT matters. The ICT infrastructure is currently not functioning to its maximum performance due to budget constraints however, improvement has been done. We initiated the project for the upgrade of the overall ICT Infrastructure which could not be completed during 2024/25 and therefore moved to the financial year 2025/2026 financial year.

Employees: ICT Services					
Task grade	Year -2022/2023	Year 2023/2024			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	2	2	0	0%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	2	3	3	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost*

by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.
T3.27.4

R' 000					
Capital Projects	Year 2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5,300,000.00				
ICT Infrastructure Upgrade	1,500,000.00	0.00	0.00	1500,000.00	0.00
Server Room Upgrade	3,000,000.00	640,000.00	0.00	2,360,000.00	0.00
Computer Equipment	800,000.00	2,000,000.00	1,532,309.49	1,200,000.00	1,532,309.49
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.27.6*

3.26.3 COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The Municipality has an ICT unit which is not fully populated but has improved a lot using the limited resources. The municipality plans to improve overall ICT infrastructure on the following areas:

a) Plans to upgrade the overall Network infrastructure of the municipality
b) Initiated a Telephone system upgrade
c) Initiated upgrade on infrastructure

3.27. PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

3.27.1 Introduction to property; legal; risk management and procurement services

Port St John's Municipality has a panel of attorneys and in addition the litigation register is updated timeously. The legal department achieved significant milestones in supporting the municipality's governance and compliance objectives. It had successfully provided legal advice, guidance, and presentation across various domains.

Key Achievements:

1.Legal Advisory Services

2. Litigation Management

3. Regulatory Compliance

4. Contract Management

Challenges:

Legal services unit was also faced with certain challenges during the reporting period that need to be addressed in the future.

1. Workload and Resource Constraints

2. Capacity building

Risk Management

Risk Management is still a challenge; however, the internal audit unit has been a support for the risk management. The meetings were conducted, and the implementation of the risk management plan has been executed even though it was not fully implemented. The risk assessment was done successfully, and the review of the risk management framework was done successfully was adopted in January 2025 by the Council. The Manager Strategic Services is working together with the risk management officer to ensure that risk management is being implemented successfully.

Procurement

Procurement plans were compiled by departments and consolidated into one institutional procurement plan. Bid Committees were appointed; procurement plans were not successfully implemented because of the unforeseen challenges which include non-response by service providers to the advertised.

3.27.2 SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Port St John's Municipality has a panel of attorneys and in addition the litigation register is updated timeously. The legal department achieved significant milestones in supporting the municipality's governance and compliance objectives. It had successfully provided legal advice, guidance, and presentation across various domains

3.28. Organisational Performance

The municipality had a total of 89 indicators in the SDBIP for 2024/2025 financial year and achieved 46 indicators which accounts for 52% of the total annual performance. This reflects poor performance for PSJ municipality and a slight improvement from 51% that was achieved in 2023/24. Basic Service delivery accounts for 14 indicators and a number of 3 indicators were achieved, which is a total of 21.4%. The performance has dropped drastically when compared to 68% of 2023/24 financial year. Local Economic Development and Spatial Planning achieved 55% of all indicators, the total number of indicators were 18 and the total achieved was 10. This reflects an improvement from 33% that was achieved in 2023/24.

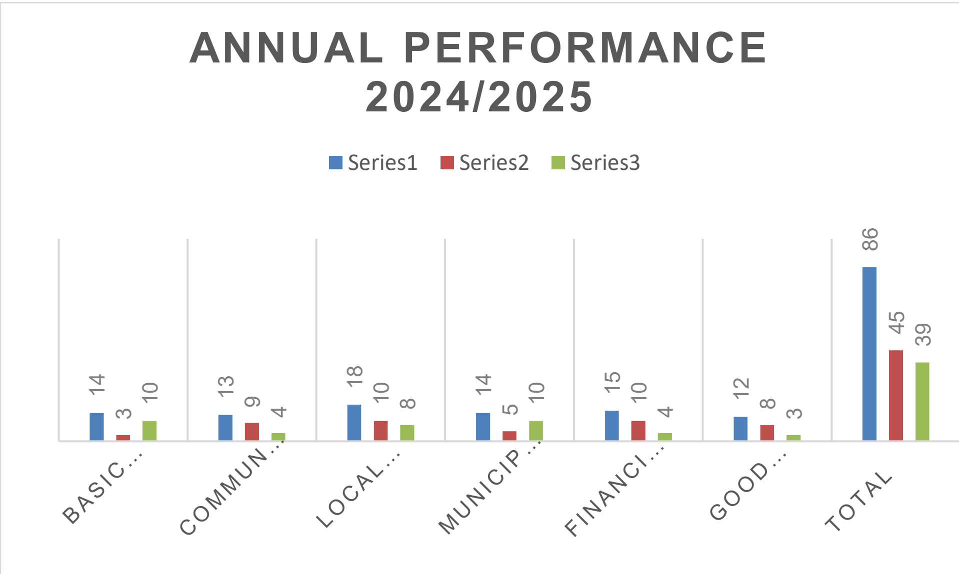
Municipal Transformation and organisational development achieved 35% of its total indicators and reflects an improvement compared to 9% achieved in the previous financial year. Financial viability and management achieved 71% of its indicators, out of 14 indicators, 10 indicators were achieved, which reflects an improvement compared to 67% that was achieved in the previous financial year.

Good governance and public participation achieved 66% of all its planned indicators which regressed from 83% that was achieved in the previous financial year with community services section achieving 69% of its indicators which has improved from 33% that was achieved in 2023/24 financial year. Below is the table reflecting the summary of performance per indicator and the percentages achieved.

Performance per Key Performance Area

KPA	No. of KPIs	Achieved	Not achieved	%
Basic Service Delivery	14	3	11	28%
Community Services	13	9	4	69%
Local Economic Development	18	10	8	55%
Municipal Transformation	14	5	10	35%
Financial Viability	14	10	4	71%
Good Governance	12	8	3	66%
Institutional Transformation & Organizational Development	86	45	40	52%

Graph Illustration per KPA



Challenges

- Inclement weather
- Non sitting of bid committees
- Performance not cascaded to middle managers
- Non adherence to procurement plan
- Vacancies at senior management level, due to resignation of the CFO and Director Corporate Services
- Slow pace of the service provider on the refurbishment of the tourism centre

Recommendations

- Procurement plan will be monitored departmentally on monthly basis and be presented to management meetings.
- Vacancy of senior manager Corporate Services have since been filled, the CFO is towards finalisation of recruitment
- Close monitoring of the service providers
- Cascading performance to the middle management level
- Consequence management

3.28.1. Annual Performance Report 2024/2025

3.28.1.1. Basic Service Delivery

No.	Project	Key performance indicator	Annual target	Annual Report 2023/2024		Annual Report 2024/2025		Reasons for variance	Remedial Action	General Comment	POE
				Annual Target	Actual	Annual Target	Actual				
8.1.1.	Construction of Buchele 7,8 km,Ward 11, Cibati A/R 5,5km, Ward 18,Goqwana A/R 4,5 km, Ward 15,Ludalasi 6.8km, Ward 03, ,Mbabalane AR 8,2 km, Ward 16, Mbokazi AR 7km km access road, Ward 13	Number of kms of gravel access Roads Constructed	39.8km	68.8kms by 30 June 2024	64.2km	39.8km	**18.3km**	Inclement weather and the other challenge were the extension of work on site in Cibathi, Mbabalane and Buchele AR.	The projects are at the completion stage, currently service providers are finishing outstanding work. The extension of scope works was approved. The projects will be completed in Q1 of 2025/26 FY.	Target not achieved	1. Quarterly Progress Reports 2.APR Listing 3.Practical completion certificate 4. Package orders
8.1.2.	Surfacing of roads (0,450 km paved internal streets, Mthumbane 2.5km concrete slab phase 1, 3km Aggate Terrace, 0,634km paving g of internal streets)	Number of Km of surfaced roads constructed	6.584km	3.450km by 30 June 2024	1.8km	6.584km	0,450km	4.434 km not completed due inclement weather and working in confined spaces around town led to delays in paving of internal streets, Mthumbane project delayed by contractual disputes between the Contractor and Engineer, Non availability of sand for concrete due to inaccessible sand as it is privately owned for Aggate Terrace.	CBD - The contractor is left about 0.4km which will be completed in a period of two months of the first quarter in 2025/26 FY. 0.634km will be completed in first quarter of 2025/26 Mthambane - a meeting has been scheduled between the Municipality and Service Providers to resolve the matter. Aggate Terrace - Contractor brought Batching plant to mix the concrete on site and use crusher dust as a replacement to sand. All the projects will be completed in Q1 of 2025/26 FY	Target not achieved	1.Quarterly Progress Reports 2. APR Listing 3.Practical Completion certificate 4.Close out report

8.1.3.	Rehabilitation of disaster roads: 12 km Ntlantsana Farms AR, 2.9 km Nonyevu AR, 6.7km Rhebu AR	Km of disaster Access roads rehabilitated	21.6km	**N/A**	**N/A**	21.6km	**15.5km**	Delays in site establishment by the contractor at Rhebu.	Revised program of works submitted, 6km to be completed in Q1 2025/26 FY, and included in SDBIP for 2025/26 FY.	Ntlantsana farm initially was initially 12 km on the plan and there was an additional 0,6 m on completion. As a result, the completed progress is 12,6km	1. Quarterly progress Report 2. APR Listing 3. Package order
8.1.4.	Gravel road maintenance	Number of kms of gravel access roads maintained	340km	300km by 30 June 2024	649.9km	340km	325.6km	Inclement weather challenges that led to sites being inaccessible. The breakdown of Machinery in Clusters and the shortage of Plant Operators. The virgin road construction in clusters which led to breakdown of machinery. Scattered small roads portions are prioritized in clusters thus affecting time spent relocation of Plant.	The department requests the approval of Operators to work on weekends to catchup on lost time. The purchasing of new machinery as the old one has reached a dilapidated stage. A maintenance plan has been added on the IDP which will assist in guiding Cllrs and limit small portions prioritized for construction.	Target not achieved	1.Quarterly progress Report
8.1.5.	Rehabilitation of Bridges: Buthulo causeway x1, Nyakeni x2, Ezintakumbeni to Dubulwenix1, Dedeni to Ekhumeni x1 Gabelana to Diphini x1 Ntlantsana Farms x2	Number of bridges rehabilitated	**8**	N/A	N/A	**8**	4	Buthulo causeway delayed by EIA application. Nyakeni bridge was delayed by the slow progress of the contractor, which led to termination of contract. Dedeni Ekhumeni contractor was appointed late which delayed the completion of project on time.	EIA application was done in May 2025 (Q4), the results are expected in July 2025, as a result is in procurement stage. Nyakeni bridge project has been re-advertised. These projects are included in the SDBIP for 25/26 FY and are to be completed in the 1st quarter of 25/26 FY.	Target not achieved	. Quarterly progress Report 2. APR Listing 3. Package order
8.1.6.	Rehabilitation of bridges Bizana to Nqolothwana x2, Lugaswenix1, Nomyezo to Dumasi x1	Percentage completion of rehabilitated bridges	50%	N/A	N/A	50%	50%	None	None	Target achieved	1.Progress report 2.APR Listing

8.1.7	Construction of public amenities Ward 13, 14, 15 and 16	Number of public amenities constructed	4	N/A	N/A	4	2	Delayed start due to community disputes on positioning of ward 13 Hall. inclement weather delayed the projects. The late appointment of service providers for a period of 8 months which ends on 31 September 2025.	Positioning was resolved and the contractors are making progress on sites, the projects are included in the SDBIP for the following financial year, to be completed in Q1.	Target not achieved	1. Quarterly Progress Reports 2.APR Listing 3. 2 Practical completion certificates for Community Halls
8.1.8.	Electrification of households Ngqwale-Ntsimbini 105h/h, Tombo 115h/h, Ntlaleni 106h/h, Jambeni 106h/h, Dumasi 106h/h, Sobaba 105h/h, Nkampini 84h/h, Ngxongweni 83h/h, Amadwala-Qhoboshendlini 122h//h, Mswakazi 87h/h, Mpantu 79h/h, Phahlakazi 104 h/h	Number of households in electrification program connected:	1202	794 by 30 June 2024	794	1202	900	302 households are awaiting key changes for meters to energize customers. Infrastructure has been completed.	Eskom is engaged in giving us key changes to energize the customers. The projects to be completed in Q2 of 2025/26 FY	target not achieved	1. Quarterly Progress Reports
8.1.9	Installation of highmast lights at 04,10,13, 16, 20	No of highmast lights installed.	5	5 by 30 June 2024	5	5	0	The processes for procurement commenced in February 2025 and went to tender in April 2025.	The project is on the award stage and the project has been referred to be completed in Q2 of 2025/26 FY.	Target not achieved	1. Quarterly Progress Reports 2. APR Listing
8.1.10.	Maintenance of lights	Percentage of reported faulty lights maintained	100%	100%	100%	100%	91%	Some of the streetlights could not be done due to the limited budget as they require to be completely removed and install new ones.	The streetlights will be included in the budget for 2025/2026	Target achieved	1. Quarterly Progress Reports 2. APR Listing
8.1.11.	Employment creation through EPWP	Number of employments created through EPWP	390	N/A	n/A	390	497	107 is over achievement, due to increase in number of projects(our projects were labour intensive).	None	Target over achieved	.APR Listing 2.Employment Contracts 3. EPWP Report

8.1.12	Grant expenditure, MIG expenditure ,INEP expenditure, EPWP expenditure , MDRG expenditure	Percentage expenditure of all infrastructure grants	100%	100%	100%	100%	84%	The key changes of Eskom do not correspond with meters. The expenditure is sitting at 96%. The outstanding amount is for meters. The contracts ends in September for MDRG, the contractors are still on site.	Eskom is engaged in giving us key changes to energize the customers. The projects to be completed in Q1 of 2025/26 FY as well as MDRG one's.	Target not achieved	1.Grant expenditure reports
8.1.13	Circular 88 reporting	Number of circular 88 reports submitted	4	4	4	4	4	None	None	Target achieved	Circular 88 report
8.1.14	Policy development and review	Number of policies and plans developed	3	N/A	N/A	3	0	Draft engineering policies have been developed, but they could not go to council for approval as there was no policy workshop in FY.	Draft policies to be submitted for review in the 2025/26 policy workshop	Target not achieved	Copies of draft policies and plans

3.28.1.2. Community Services

KPI No.	PROJECT	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Annual Report 2023/2024		Annual Report 2024/2025		Reason for variance	Remedial Action	General Comment	PoE
				Annual target	Actual	Annual Target	Actual				
8.2.1.	Refuse collection services from Mpantu, Agate Terrace, Greens farm, Naval base, Second beach, Military camp, CBD,	Number of areas receiving refuse collection services	10 areas	N/A	N/A	10 Areas	10 areas	None	None	Target achieved	Approved Refuse schedule
8.2.2	Maintenance of 1Tombo Hall 2. Luxolweni Hall, 3.Rose Park, 4 Jomo Park 5.Second beach park	Number of public amenities maintained	05 (Tombo Hall and Luxolweni Hall, Jomo Park and Rose Park, & second beach park	4 Public Amenities by the end of June 2024	0	05 (Tombo Hall and Luxolweni Hall, Jomo Park and Rose Park, & second beach park	2(Jomo Park and second beach park)	Tombo & Luxolweni Delayed by SCM processes, the delivery of material was on the 30 June 2025. Rose Park was delayed by the wetland	Rose Park, will be done in the first quarter and Luxolweni and Tombo halls will be done in quarter 2	Target not achieved	Maintenance report Delivery note, Pictures of before, APR listing, Completion certificate

8.2.3	Installation of Animal Gate Grid	Number of Amenities Constructed	1 Animal Gade Grid	5 public amenities by 30 June 2024	0	1	1	None	None	Target achieved	Installation Report and photos
8.2.4	1. Landfill site management 2. Waste and environmental awareness	Number of waste management projects implemented	2	3 by 30 June 2024	1	2	2	None	None	Target achieved	Signed report and dated Pictures of the landfill site (before and after)
8.2.5	1. Development of a new landfill site cell	Number of environmental projects implemented	1	3 by 30 June 2024	3	1	0	Designs for landfill site are awaiting the appointment of a panel of consultants for the municipality	A new request will be done in July 2025 as the validity period has expired	Target not achieved	Progress report, completion certificate New landfill site designs
8.2.6	1.Traffic Law Enforcement, 2.Roadblocks 3. DLTC services 4. Community Safety forum	Number of Traffic Projects Implemented	4	3 by 30 June 2024	3	4	4	None	None	Target achieved	Register of the roadblocks, Attendance register & Committee members for establishment of community safety forum, Register report for DLTC.
8.2.7.	1.Access control 2. Crime awareness	Number of security projects implemented	2	N/A	N/A	2	2	None	None	Target achieved	Security management report, Attendance registers for crime awareness
8.2.8.	1.Funda Mzantsi elimination championships, 2.Literacy Day, 3. Library week 4. Holiday Program 5. World Book day	Number of library management projects implemented	5	N/A	N/A	5	5	None	None	Target achieved	Report Attendance register Signed Report
8.2.9.	Revenue generations	Revenue generated from traffic and DLTC services	R510 000	N/A	N/A	R510 000	R458 415	DTLC was not fully operational due to suspension of codes by DOT as there was an investigation that was being conducted	The DLTC is fully operational	Target not achieved	Financial report

8.2.10.	EPWP Employment	Number of work opportunities created through EPWP	60	N/A	N/A	60	80	80 EPWP participants recruited. PSJLM budgeted for 60 EPWP and DPWI funded for an additional 20 participants.	None	Target overachieved	1. Recruitment Report 2Appointment Letter/Employment Contract
8.2.11.	Policy Review 1.Beach Management Policy, 2.Cemetery Management policy, 3.Park development policy, 4.PSJ public safety striking policy , 5.Traffic & DLTC Policy , 6.Ward assistance Policy 7.Waste Man bylaws , 8. Animal pound policy.	Number of policies and bylaws developed or reviewed assistance program	8	N/A	N/A	8	5	The ward assistance policy, animal pound policy and public safety striking policy needed more review and could not proceed to other stages	The policy will be tabled to the Council in the first quarter of the new financial year	Target not achieved	Reviewed policies
8.2.12.	Road safety management campaigns	Number of road safety management campaigns conducted	2	N/A	N/A	2 (Educates motorists, Transport month)	2	None	None	Target achieved	Progress report and Attendance register
8.2.13.	Ward assistance program	Number of beneficiaries benefited from ward	120	120 by 30 June 2024	620	120	1289	The target will be reviewed in 2025/26 and will target the support of sectors after the adoption of the ward assistance policy	None	Target over achieved	Requests from Cllrs , Purchase order, Signed report

3.28.1.3. Local Economic Development

KPI No.	Project	Key performance indicator	Annual target	Annual Report 2023/2024		Annual Report 2024/2025		Reasons for variance	Remedial Action	General Comment	POE
				Annual Target	Actual	Annual Target	Actual				
8.3.1.	Economic Infrastructure constructed and refurbished	Number of economic structures constructed	1	1 by 30 June 2024	0	1	0	Due to the non-sitting of bid committees, there was no appointment of service providers for hawkers' stalls, regardless of the early submission to the Department. The specifications committee was presented with the Department's project for hawker stalls, and we were informed that the panel's service provider would be chosen. However, the Department's financial year ended without an appointment due to our restrictions in the actual appointment process.	The project has been budgeted for in the next financial year	Target not achieved	
8.3.2.	Economic Infrastructure constructed and refurbished	Number of economic structures refurbished	1	1 by 30 June 2024	0	1	0	Service provider was appointed and is on site however is moving slowly on other milestones	Revised work schedule was submitted by service provider and will be monitored on quarterly basis.	Target not achieved	Progress reports, completion certificates, Delivery note
8.3.3	Capacity Building for contractors	Number of capacity building for contractors	1 capacity building programmed	N/A	N/A	1 capacity building programmed	1	None	None	Target achieved	Attendance register, Invitation letters
8.3.4.	Incubation programme for targeting 1. culinary sector, 2.farming and art and 3. craft sector	Number of incubation programs implemented	3	N/A	N/A	3	0	There was no successful bidder that was responsive.	The tender will be readvertised in the second quarter of the next financial year	Target not achieved	Adverts, Quarterly report, Invoices, Delivery note and certificates

8.3.5.	Issuing of business permits	Number of permits issued for local traders	55 business permits issued	N/A	N/A	55 business permits issued	33	The contributing factor is caused by delays in confirming foreign nationals' status before business permits are issued. In addition, OR Tambo DM environmental health practitioners must issue certificates of compliance, which has further added to the delays because they are understaffed and must serve the entire district.	The matter has been escalated to OR Tambo DM and to the Department of Home Affairs to expedite the process. Furthermore, consultative session with businesses that don't require COC and are South African owned are encouraged to register their businesses	Target not achieved	Copy of permits
8.3.6.	Entrepreneurial support programme	Number of entrepreneurs supported.	11 entrepreneurs	N/A	N/A	11 entrepreneurs	42	The support was given to 30 SMMEs in different sectors	None		Adverts, Invoices, & delivery note
8.3.7.	Convene trade shows	Number of trade shows held	4 trade shows	2 by 30 June 2024	2	4 trade shows	4	None	None	Target achieved	Attendance register, Report, Proof of sales, Pictures
8.3.8	Tourism Events held	Number of tourism events convened	03 (Isingqisethu cultural event, Sith'aba cultural and Mountain run)	4 Cultural Heritage, Isingqisethu, Ntsizwa Event, Mountain run marathon by 30 June 2024	3	03 (Isingqisethu cultural event, Sith'aba cultural and Mountain run)	3	None	None	Target achieved	Close out report , attendance register
8.3.9.	Exhibition Programme attended	Number of exhibitors exposed to trade shows	7 exhibitors	5 by 30 June 2024	15	7 exhibitors	32	Department of Sports, Arts and Culture sponsored PSJ exhibitors to attend National Art Festival	None	Target over achieved	Report and attendance register proof of exhibit
8.3.10.	Small Scale fisheries support	Number of small scale fisheries supported	5 small scale fisheries supported	N/A	N/A	5 small scale fisheries supported	5	None	None		

8.3.11	Develop precinct plans	Number of precinct plans developed	02 (Golf course and waterfront precinct plans)	**N/A**	**N/A**	02 (Golf course and waterfront precinct plans)	**0**	Late appointments of service providers are the contributing factor for non-achievement. Appointments were only done in May and June	Facilitate council adoption in first quarter of the 25/26 financial year		Council approved precinct plans, copy of the council resolution
8.3.12 .	Approval of building plans	Percentage of building plan applications approved	100%	**N/A**	**N/A**	100%	100%	None	None	Target achieved	Report, List of approved building plans
8.3.13 .	Land audit	Number of land audits conducted	1	1 by 30 June 2024	0	1	1	None	None	Target achieved	
8.3.14 .	Develop feasibility study of High Impact Projects in line with Eastern Seaboard Objectives	Number of feasibility studies on high-impact projects conducted	1	**N/A**	**N/A**	1	**0**	The validity period expired due to delays in sitting of the bid committees. All the processes will be restarted in the next financial year.	Budget provision for the financial year 2025/2026 has been secured to implement the project in 2025/2026 financial year and will be advertised in Q2 of 2025/26.		Situation analysis , - First draft report, Final report
8.3. 15.	Revenue Generation	Revenue generated from business licenses, outdoor advertising	R 25 000	N/A	N/A	R100 000	R71 899.99	Revenue under collection has resulted from delays in confirming foreign nationals' status before business permits are issued. In addition, OR Tambo DM environmental health practitioners must issue certificates of compliance, which has further added to the delays because they are understaffed and must serve the entire district.	The matter has been escalated to OR Tambo DM and to the Department of Home Affairs to expedite the process. Furthermore, consultative session with businesses that don't require COC and are South African owned are encouraged to register their businesses		Revenue Sheet

8.3.16.	Circular 88 reporting	Number of circular 88 reports submitted	4	4	4	4	4	None	None		Circular 88 report and proof of submission
8.3.17.	Policy development and bylaw review	Number of policies and bylaws reviewed	3	N/A	N/A	3	3	None	None		
8.3.18.	Development of sub-contracting strategy Review LED Strategy	Number of strategies developed and reviewed	2 (LED Strategy, sub-contracting strategy)	N/A	N/A	2 (LED Strategy, sub-contracting strategy)	2	None	None		Approved LED Strategy, approved subcontracting strategy

3.28.1.4. Municipal Transformation and Organizational Development

KPI No.	Project	Key performance indicator	Annual target	Annual Report 2023/2024		Annual Report 2024/2025		Reasons for variance	Remedial Action	General Comment	POE
				Annual Target	Actual	Annual Target	Actual				
8.4.1	Sitting of Local Labour Forum and its sub-committees	Percentage functionality of local labour forum and its committees	100%	100%	0	100%	50%	Only LLF and 2 subcommittees sat, the non-availability of members is also a challenge for the sitting of LLF subcommittees	The sitting will be according to the schedule of meetings	Target not achieved	(i) Notices of meetings, (ii) Attendance registers, (iii) Minutes of meetings. (iv) LLF Reports Senior
8.4.2	Compilation and submission of Workplace Skills Plan Compilation and submission of Employment Equity Report	Number of legislative compliance reports submitted to relevant public bodies (WSP & EE)	1	1	1	1	1	None	None	Target achieved	(i.) Notice to facilitate completion of Skills Audit Forms (ii.) Skills audit Forms duly completed. (iii.) Notice of Training Committee meeting to consider draft Workplace Skills Plan [WSP] and Skills Training Report. (iv.) Draft WSP andx

											Report duly submitted to the LGSETA. (v.) Letter of Acknowledgement of receipt from the LGSETA
8.4.3.	Conducting Skills Audit .Priorization and compilation of training needs and intervention	Percentage implementation of identified training interventions.	100%	N/A	N/A	100%	31%	The non appointment of panel for service providers for training led to delays in spending the budget for training	The panel will be readvertised as the process has lapsed	Target not achieved	(i) Training Implementation Plan as per the WSP submitted to LGSETA. (ii) Quarterly training Reports produced
8.4.4.	Review of the organizational	Number of organizational structures reviewed	1	N/A	N/A	1	0	Management sat to do final touch ups and EXCO retreat were conducted. Draft Structure submitted to the council for approval, but the council differed back for another inputs.	Final Draft structure is in place submitted to the council and the council differed back for further input. The final draft structure is in place with amendments and waiting for submission to the council.	Target not achieved	i) Request for input from departments. (ii) Draft organizational structure (iii) Submission of draft inputs to Management Committee (iv) Report to Council for the approval of the draft organizational structure. (v) Council approval of the draft organizational structure.
8.4.5.	Filing of vacant positions	No of post filled	10	22	13	10	44	More posts were recruited	None	Target over achieved	(i) Appointment letters

8.4.6.	Cascade from TG 18 to TG 11	Percentage of performance management system to levels up to TG 11	100%	N/A	N/A	100%	0	The cascading has not been done as there hasn't been engagements with the management on performance contracts	Draft contracts have been developed and will be discussed in July 2025	Target not achieved	(i) Departmental consultative sessions on performance management. (ii) Performance agreements duly signed by lower levels up to TG 11.
8.4.7.	Implementation of wellness and OHS Strategies	Number of programs implemented of in wellness and OHS plans	10	N/A	N/A	10	4	Only 4 targets could be achieved, there is a lack of capacity in the wellness and OHS section. The department operates with official at a clerical level	The review and budgeting for an OHS practitioner will be proposed during the review of the organizational structure	Target not achieved	(i) 4 EAP strategic objectives undertaken (ii) 6 OHS strategic objectives undertaken
8.4.8	Improve municipal working environment.	Number of municipal buildings maintained	1	N/A	N/A	1	2	Maintained buildings in Q3 is Town Hall and Outspan Inn, fast tracking of maintenance was done to ensure that Dept of Public Works is done with existing offices as there is also a process of Partitioning of Outspan Inn Foyer	None	Target over achieved	(i) Buildings identified for renovations. (ii) Building specifications prepared. (iii) Report on the renovations/ maintenance conducted
8.4.9	Creating a file storage	Number of file storage facility created	1	N/A	N/A	1	0	Specification for Procurement of a prefab is in progress	Specification will be crafted in the first quarter of the new financial year	Target not achieved	(i) Terms of Reference (ii) Advert
8.4.10.	Costing of training interventions	Percentage expenditure of the municipal budget for training and development	100%	N/A	N/A	100%	45%	The non appointment of panel for service providers for training led to delays in spending the budget for training	The panel will be readvertised as the process has lapsed	Target not achieved	(v) Training budget Expenditure Reports
8.4.11.	Circular 88 reporting	Number of circular 88 reports submitted	4	N/A	N/A	4	4	None	None	Target achieved	(i).Circular 88 report

8.4.12.	ICT Support ((1. Upgrade Server Room structure. 2. ICT infrastructure upgrade and maintenance 3.Fire wall upgrade 4. Antivirus 5. Website Upgrade))	Number of ICT projects implemented	5	N/A	N/A	5	2	An advert for ICT Infrastructure upgrade and maintenance and Firewall Upgrade was issued on 06 February 2025 and closed on 10 March 2025, the advert was non-responsive. The upgrade server Room Structure was not done as the institution could not find designers for Server room	Re-advertisement for ICT Infrastructure Upgrade and Firewall upgrade to be done in Q1 of 2025/26 financial year. On Upgrade for Server room structure, and Architects will be appointed.	Target not achieved	4. Anti-virus Screenshots
8.4.13.	Policy and strategy development	Number of HR policies and Strategies reviewed.	9	28 by 30 June 2024	0	9	19	The policy review was held in August and most municipal policies were reviewed and approved by the Council during the third quarter of the financial year	None	Target over achieved	(i) 09 Reviewed HR policies ii) Report on the reviewed policies.
8.4.15	Develop records management plan and policy	Number of Records Management Policies and Plans developed	3	N/A	N/A	3	0	The following policies (i) File Plan developed and approved by DSRAC (Department of Sport, Recreation, Arts and Culture) .(ii) Draft Records Management Policy developed (iii) Draft Procedure Manual developed. They are waiting for Council approval now.	Facilitate engagements with Management to ensure that Policies are presented and adopted by Council	Target not achieved	(i) 03 Reviewed Records Management Policies (2) Council Resolution.

3.28.1.5. Financial Viability and Management

KPI No.	Project	Key performance indicator	Annual target	Annual Target 2023/2024		Annual Target 2024/2025		Reasons for variance	Remedial action	General Comment	POE
				Target	Actual	Target	Actual				
8.5.1.	1. Free basic services – electricity 2. Free Basic Services – Alternative Energy	Number of indigent households benefited from Free Basic services	9043-60%	5900 4800-FBEE 1100-FBEAE by 30 June 2024	5000	9043-60%	9974	The municipality had targeted for 5184 but due to an awareness campaign done to beneficiaries the number of collections for the increased.	None	Target over achieved	1.approved Indigent register 2. List of beneficiaries that received FBS
8.5.2.	1. Creditors payment	Average Number of days taken to pay Creditors	30 days	N/A	N/A	30 days	30 days	None	None	Target achieved	Creditors age analysis, Number of days calculation.
8.5.3.	1 Increase Debt collection Revenue enhancement plan	% increase in collection of debtors (net debtors days)	30 days increased debts collection	30 days Increase debt collection by by 30 June 2024	246 days	30 days Increase debt collection	422 days	Due to non-payment by debtors.	Implement Revenue enhancement strategy. Debt collector has been appointed.	Target not achieved	Quarterly Financial ratios report
8.5.4.	FMG, MIG, INEP Disaster, EPWP	Percentage expenditure of all grants	100%	100% by 30 June 2024	84%	100%	100%	None	None	Target achieved	Grant expenditure reports
8.5.5.	Current ratio calculation	Current Ratio	3:01	3:1 by 30 June 2024	2:1%	3:01	3.63	The ratios reflects that the municipality has a favourable financial position.	None	Target achieved	Quarterly Financial ratios report
8.5.6.	Cost /cash Coverage Ratio calculation	Cost /cash Coverage Ratio	7 months	7months by 30 June 2024	9 months	7 months	5 months	Due to decrease on investment account balances.	None	Target not achieved	Quarterly Financial ratios report

8.5.7.	Budgeted Capital vs Total Expenditure ratio calculation	Budgeted Capital vs Total Expenditure ratio	30%	20% by 30 June 2024	29%	30%	70%	This shows that the municipality has been able to reach and exceed its budgeted capital expenditure for the quarter and has made up for the previous quarters that it might have underspent on	None	Target over achieved	Quarterly Financial ratios report
8.5.8.	BTO reporting compliance checklist.	%implementation of budget process plan	100%	100% by 30 June 2024	100%	100%	100%	None	None	Target achieved	Progress report on implementation
8.5.9.	1.AFS Plan 2. Interim FS 3. AFS	Number of interim and annual GRAP compliant AFS	3	1 Interim AFS 1 AFS 1AFS plan by 30 June 2024	2	3	3	None	None	Target achieved	Set of interim AFS Audited Financials
8.5.10.	1.GRAP compliant asset register Approval of 2.Asset management strategy 3.Disposal of redundant assets	No of asset projects implemented	3	2	2	3	2	2.Municipality is in the process of developing an asset strategy. 3 The municipal disposal committee has been unable to sit for its meetings	2.Completion of asset strategy. 3.Ensure sitting of disposal committee in order to compile asset disposal list and submit to council for approval	Target not achieved	Updated Asset register. Asset verification report. Implementation of Asset management strategy report, Asset disposal report

8.5.11.	1Demand management plan development. 2.DMP implementation .3.Contract Management 4. Regulation 36 reporting implementation	Number of SCM projects implemented	5	4 by 30 June 2024	4	5	5	None	None	Target achieved	1.Annual, Quarterly Supply Chain Management report with proof of submission to council
8.5.12.	Reviewed unauthorized, irregular fruitless and wasteful expenditure (UIFW) reduction strategy	% reduction of UIFWE	100%	100% by 30 June 2024	100%	100%	0	The municipal MPAC has not investigated or written off any UIFW for the year. Ho	None	Target not achieved	2.DMP implementation report .UIFWE report
8.5.13	1.Annual budget 2.Policy workshop 3.Adjustment budget	Number of Budget projects implemented	3	N/A	N/A	3	3	None	None	Target achieved	Budget and budget related policies Approved Budget adjustment Attendance register for workshop
8.5.14	1. Prepare circular 88	Number of circular 88 reports submitted	4	N/A	N/A	4	4	None	None	Target achieved	Circular 88 report and proof of submission

3.28.1.6. Good Governance and Public Participation

KPI No.	Project	Key performance indicator	Annual target	Annual Report 2023/2024		Annual Report 2024/2025		Reasons for variance	Remedial Action	General Comment	POE
				Annual Target	Actual	Annual Target	Actual				
8.6.1.	1.Implementation of the IDP Process Plan	Percentage implementation of IDP Process Plan	100%	100% by 30 June 202	100%	100%	100%	None	None		IDP Process Plan Report with proof of implemented activities

8.6.2.	1.Council Strategic Planning 2.Council Strategic Planning	Number of Strategic Planning Sessions convened	2	2 by 30 June 2024	2	2	2	None	None	Target achieved	Strategic planning reports with Attendance registers
8.6.3.	Implementation of Institutional Performance Management System	Percentage implementation of PMS Process Plan	100%	100% by 30 June 2024	100%	100%	100%	None	None	Target achieved	PMS Report and POE's of implemented activities
8.6.4.	Functionality of IGR	Number of IGR clusters established	3	3 by 30 June 2024	0	3	0	Limited capacity and there is no policy guiding the IGR execution	The policy will be developed in the first quarter of 2025/2026	Target not achieved	Terms of reference Attendance registers and minutes
8.6.5.	1. Risk assessment. 2. Risk management policy review 3. Risk management implementation	Number of risk management projects implemented	3	3 by 30 June 2024	3	3	3	None	None	Target achieved	1.Risk Management Implementation Report , attendance register 2.Draft Risk management policy 3. Risk Assessment Report
8.6.6.	Implementation of Risk Based Internal Audit Plan and Audit Committee Workplan	Percentage of audits conducted as per approved risk-based audit plan	100%	100% by 30 June 2024	100%	100%	100%	None	None	Target achieved	1. Notice 2. Attendance registers 3. Minutes 4. Quarterly report to Council
8.6.7.	1. Ward committee co-ordination. 2. Community based meetings. 3. Public participation event.	Number of public participation and oversight projects implemented	5	5 by 30 June 2024	4	5	4	Limited internal capacity to develop ward-based plans as this requires sufficient resources (human capital & financial). Coordination of wardrooms is not	Additional resources will be sourced for the ward-based plans and deferred to the next financial year.	Target not achieved	1.Attendance registers and reports 2. Ward Profiles

	4. Ward based plans 5.War rooms							possible with the current arrangement due to resources limitations			
8.6.8.	Functionality of Council and its committees 1.Council meetings 2.S 79 committee meetings 3. Section 80 committee 4. Exco meetings	Percentage functionality of council and its committees	100%	100% by 30 June 2024	100%	100%	100%	None	None	Target achieved	1. Agenda 2. Attendance registers 3. Minutes
8.6.9.	1. HIV/AIDS coordination. 2. People With Disabilities program 3. Youth Programs 4. Women and Children	Number of focus groups social projects implemented	4	4 by 30 June 2024	4	4	4	None	None	Target achieved	SPU report, attendance register, Draft HIV/Aids Strategy proof of support given to designated group
8.6.10.	Mayoral outreach programs	Number of Mayoral outreach programs conducted	4	N/A	N/A	4	3	The outreach was not held in Q4 due to limited capacity during the quarter	All the outreach programs will be held in the next financial year	Target not achieved	Mayoral outreach reports Notices registers
8.6.10.	1. Revival of website and digital platforms	Number of communications projects implemented	6	1 by 30 June 2024	0	6	4	There was no integrated planning and enough funding for the hiking trail which was dependent on LED for funding. The municipal logo has not been done	The section will remove the projects that are not in their competency in relation to the funding.	Target not achieved	Report and Updated web pages

8.6.1 1.	1.Litigation management 2. SLA Vetting	Number of legal services projects implemented	3	2 by 30 June 2024	2	3	3	None	None	Target achieved	1.Litigation report 2.Contract Management report

3.29. Performance of the Service Providers

ANNEXURE B- PERFORMANCE OF SERVICE PROVIDER 2024/2025

	1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2022/2023)**	**Set target of performance (2023/2024)**	**Status of performance (2023/2024)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
Mpumzi and Sons	1. Goqwana AR-4.5km	n/a	n/a			4.5KM		3	Completed the project
Tswella Trading	2. Ludalasi AR-6.8km	n/a	n/a			6.8KM		3	Completed the project
Barleda	3. Mbokazi AR-7km	n/a	n/a			7KM		3	Completed the project
LM Development	4. Mbabalanei AR-8.2km	n/a	n/a			8.2KM	The project will be completed in the first quarter to fish the work including additional scope of the work of concrete	3	The project on practical completion stage as outstanding items is only additional work of concrete slab and currently the contractor is busy with it to complete. Additional work affected project completion.
Rhweba Trading	5. Cibathi AR-5.5km	n/a	n/a			5.5KM	The project will be completed in the first quarter to fish the work including additional scope of the work of concrete and headwalls	3	The road has been completed and only headwalls and concrete work outstanding. The contractor will finish all outstanding work in the first quarter. Additional work affected project completion
Milibo Trading	5. Buchele AR-7.8km	n/a	n/a			7.8KM	The project will be completed in the first quarter to fish the work including additional	3	The road has been completed and concrete slab done, only headwalls and dish stone pitching outstanding. The contractor will

	1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2022/2023)**	**Set target of performance (2023/2024)**	**Status of performance (2023/2024)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
							scope of the work of earthworks ,concrete and headwalls		finish all outstanding work in the first quarter. Additional work affected project completion.
Ziphp zotho PTY LTD	5. Ward 14 Community hall Sobaba	n/a	n/a			1 Community Hall	The project will be completed in the first quarter as per the programme	3	The Main building and Ablution facilities are complete. Outstanding items are tiling, painting, windows and plastering including electrifications
MVI Construction	Mthumbane Concrete Slab-3.56km	n/a	n/a			3.56KM	The project is not moving well due to errors done by the engineer in the BOQ. The engineer was requested to come with a compressive report and mitigation on the project	2	The project need a lot of money to be completed due to errors done by the professional engineer on concrete and reinforcement in the bill. We requested the engineer to claim from his professional indemnity and report to the municipality.
Tabono	Household Electrification – INEP-1202					958	Infrastructure completed and awaiting key changes for meters	3	The projects infrastructure have been completed

1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performanc e (2023/2024)**	**Set target of performance (2024/2025)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
Department: Engineering Services								
Unit: Project Management Unit (PMU)								

1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2023/2024)**	**Set target of performance (2024/2025)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
MADSTOF	1. Ntlantsana Farm 12km access Road and 2x Bridge	n/a	n/a	12km access Road and 2x Bridges	12km access Road and 2x Bridges	The material was purchased directly from the supplier through a cession agreement. There were several meetings to push the contractor to complete the project	2	Struggled to Complete the project on time but the project is practically complete and the contractor is attending to the snag list
Mathayi Construction	2. Dedeni to Ekhumeni – Bridge	n/a	n/a	Bridge	Bridge	The material was purchased directly from the supplier through a cession agreement	3	Struggled to Complete the project on time but the project is on practical completion stage attending to the snag list
Onwaba Construction	3. Gabelana to Diphini – Bridge	n/a	n/a	Bridge	Bridge	There were several meetings to push the contractor to complete the project	3	Completed the project
SEABL	4. Nyakeni - Bridges	n/a	n/a	2x Bridge	45% of Bridge	There were several meetings to push the contractor to complete the project, however the contract had to be terminated	1	The project has not been completed and went back to re-tender and is awaiting procurement stage processes.
Joeco Construction	7. Nonyevu Access Road Rehabilitation	n/a	n/a	2.9km Access road	2.9km Access road	There were meetings to push the contractor to complete the project	3	The project has been completed

1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2023/2024)**	**Set target of performance (2024/2025)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
Maboka Construction	5. Port St Johns Road Rehabilitation Desilting of Creek to PSJ CBD Phase 1	n/a	n/a	280m Block Paving Internal Street	280m Block Paving Internal Street	There were meetings to push the contractor to complete the project	3	The project has been practically completed and is awaiting to address the snag list
Rhweba Trading	6.Zintakumbeni to Dubulweni- Bridge	n/a	n/a	Bridge	Bridge	There were meetings to push the contractor to complete the project	4	The project was completed and closed off
Mizotech Trading	9. Bizana to Nqolothwana Bridge	n/a	n/a	Bridge	Bridge	There were meetings to push the contractor to complete the project	2	The project has been practically completed and is awaiting to address the snag list
B Cala Trading	Nomyezo - Dumasi Bridge Rehabilitation	n/a	n/a	Bridge	Bridge	There were meetings to push the contractor to complete the project	4	Completed the project before time
Ixhanga Trading	Lugasweni bridge rehabilitation	n/a	n/a	Bridge	Bridge	The material was purchased directly from the supplier through a cession agreement. There were several meetings to push the contractor to complete the project	2	The project is in progress with outstanding scope of works as follows: 1. Deck slab 2. Approach slabs 3. Wing walls 4. Backfilling 5. Gabion installations 6. Stone pitching The project is committed to complete the project by 15th September 2025.

1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2023/2024)**	**Set target of performance (2024/2025)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
NomaliTrading	Rhebu Re-gravelling stormwater control (6.7km)	n/a	n/a	6.7km Access road	6.7km Access road	There were meetings to push the contractor to complete the project	3	The project is in progress with outstanding scope of works as follows: 1. Concrete Slab 2. Inlets and Head walls 3. Skimming of the road The project is committed to complete the project by 30th September 2025.
Igorha Construction	450m PSJ CBD Block Paving	n/a	n/a	450m Access road	450m Access road	There were meetings to push the contractor to complete the project	3	The project has been completed
Sizakancane Trading	Community Hall Ward 13	n/a	n/a	Community Hall	Community Hall	There were meetings to push the contractor to complete the project. There were delays in the commencement of the project due to the community requesting different positions of the community hall.	3	The project is in progress with outstanding scope of works as follows: 1. Tiling 2. Ceiling installation 3. Painting 4. Electrical Connections The project is committed to complete the project by 30th September 2025
PLANT HIRE FOR GRAVEL ROAD MANTAINENCE								
Manyobo Group	**Cluster 2** Maplotini AR – 5km | 5			5km	5km		3	Wards were maintained and completed.

1 – Not meeting the standards (0-30%); 2 – Meet some of the standards (30-50%); 3 – Meet most of the standards (50-70%); 4 – Meet all the standards (70-100%)								
Name of service provider	**Service rendered**	**Set target of performance**	**Status of performance (2023/2024)**	**Set target of performance (2024/2025)**	**Status of performance (2024/2025)**	**Measure taken to improve performance**	**Rating for current financial year**	**Comments /recommendations**
Milibo Trading for Mthambalala Tswella Trading	**Cluster 3** Mthambalala AR – 5km Noqhekwana AR – 5Km	 1.00 0.50		10km	5km	The contractor was taken to site and shown where to work. The contractor was taken to site and shown where to work.	2 1	Access road was maintained and completed. The contractor did not go to site to maintain the road
Milibo Trading	**Cluster 4** Gugwini AR – 5km		5.80	5km	5km		3	Wards were maintained and completed.

COMPONENT J: MISCELLANEOUS

INTRODUCTION TO MISCELLANEOUS

The Municipality has been longing to have the airstrip for landing of small Aircrafts. The project was supported by the Department of Transport but stalled. Attempts are in place to reactivate the project. There are no Abattoirs in and around Port St John's, the area is only dependent to Umtata and Kokstad. So far there has not been any identified area where abattoir can be done.

Port St John's Municipality is surrounded by forests controlled by the Department of Forestry. Illegal cutting of protected trees was a challenge of which the stakeholders condemned.

CHAPTER 4 – CHAPTER 4. ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

4. INTRODUCTION

The approved staff establishment has 454 approved positions during the reporting year.

The organisational structure was approved by the Council together with Integrated Development Plan & MTREF Budget on the 31 May 2022. The position of a senior manager Corporate Services has been vacant since 31 December 2024 and the CFO as of 28 March 2025, the recruitment processes has resumed for the Senior Manager Corporate Services only and is at shortlisting stages. The positions of the Senior Manager Planning and LED and Engineering are permanent, and the Community Services are on a five-year contract. There are 257 positions filled and 197 vacant positions. The total turn over for the financial year is 14.

Table 2: Top management

Post	Status
Municipal Manager	Filled
Senior Manager: Corporate Services	Vacant
Senior Manager: Community Services	Filled
Senior Manager: Engineering services	Filled
Senior Manager: LED & Planning	Filled
Chief Financial Officer	Vacant

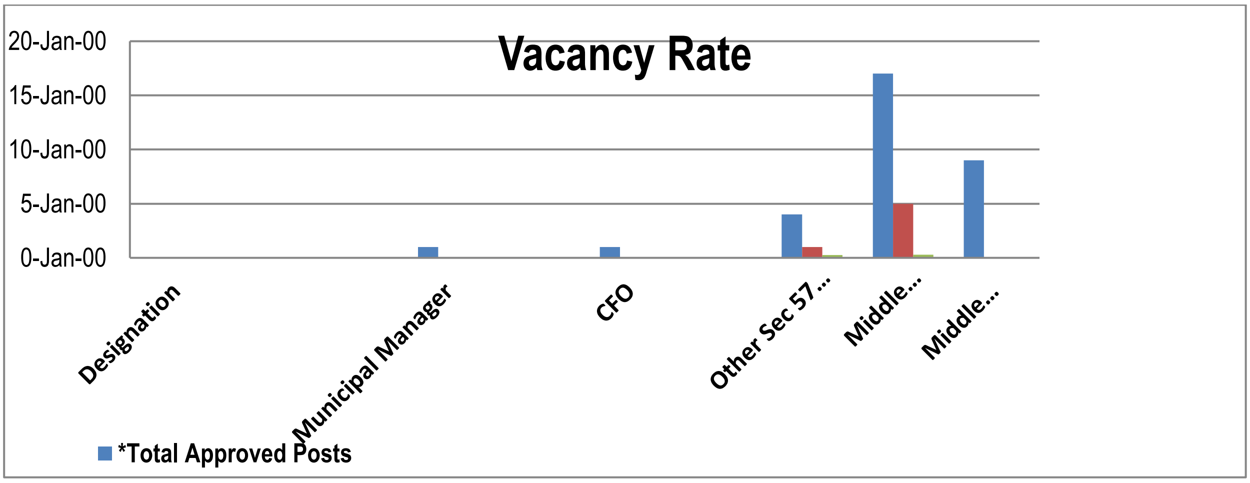
EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -2022/2023	Year 2023/2024			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Municipal Manager	1	1	1	0	0%
Corporate Services Manager	1	1	1	0	0%
Finance Manager (CFO)	0	1	1	0	0%
Community Services Manager	1	1	1	0	0%
Engineering Manager	1	1	0	1	100%
LED Manager	1	1	1	0	0%
Office Manager Mayor's Office	1	1	1	0	0%
Office Manager Speaker's Office	1	1	1	0	0%
Strategic Manager IDP, Performance Management, M&E	0	1	1	1	0%
Waste Management Officer	1	1	1	0	0%
Housing Officer	1	1	1	0	0%
Roads Technical	0	0	0	0	0%
LED Officer	3	9	2	7	78%
Town Planning & Land use Manager	0	1	1	1	0%

Community – General workers	44	74	40	34	45%
Security & Safety	35	95	37	58	61%
Sport & Recreation Officer	1	1	1	1	100%
Electrician (street lighting)	1	1	1	0	0%
PMU Manager	1	1	1	0	0%
Chief Technician	0	0	0	0	0%
Handyman	0	2	0	2	100%
Project Management Officer	1	2	0	1	100%
Data Capturer	1	3	1	2	67%
Superintendent (Construction & maintenance)	0	1	0	1	100%
Construction and Mechanic Manager	0	1	1	0	0%
Building Control Officer	0	1	0	0	100%
Environmental Management Officer	0	1	1	0	0%
Team Leader (Roads Construction & Maintenance)	0	4	0	4	100%
Team Leader (Storm water & Drainage)	0	2	0	2	100%
Team Leader (Cemeteries)	0	1	0	1	100%
Team Leader (Parks & Gardens)	0	1	0	1	100%
Plant operators	21	21	21	0	0%
General Workers- Engineering	5	14	5	9	64%
General Assistants (Parks)	0	4	0	4	0%
Assistant Mechanic	0	1	1	1	0%
Clerk Administration	0	1	0	1	100%
Workshop Attendant	0	6	0	6	100%
Store man Workshop	0	1	0	1	100%
					T 4.1.1

Vacancy Rate: Year 2023/2024			
Designations	***Total Approved Posts**	***Vacancies (Total time that vacancies exist using fulltime equivalents)**	***Vacancies (as a proportion of total posts in each category)**
Municipal Manager	1	0	0%
CFO	1	0	0%
Other Sec 57 (Excluding Finance posts)	4	1	25%

Middle Management Levels 13-15 (excluding Finance Posts)	17	2	12%
Middle Management Levels 13-15 (Finance posts)	4	2	50%



Comment On Vacancies And Turnover:

The recruitment process for the senior managers, which are Chief Financial Officer and Senior Manager Local Economic Development & Planning, and twelve middle managers was finalized.

4.2. INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Workforce management is effective and this is informed by the fact that systems and policies are in place. Human resource policies were reviewed and adopted by the Council on the 31 May 2022. No reviews were done during the reporting period, the review was initiated but could not be finalised.

4.3. POLICIES

No	Policy	Adoption date	Review Date
1.	Induction Policy,	30 January 2025	30 June 2027
2.	Job Evaluation Policy,	30 January 2025	30 June 2027
3.	Labour Relations Policy,	30 January 2025	30 June 2027
4.	Shift & Night Work Allowance Policy,	30 January 2025	30 June 2027
5.	Remuneration Policy,	30 January 2025	30 June 2027
6.	Secondment Policy,	30 January 2025	30 June 2027
7.	Renewal Or Extension Of Employment Contract,	30 January 2025	30 June 2027
8.	Appointment Of Staff In Political Offices,	30 January 2025	30 June 2027
9.	Leave Encashment Leave,	30 January 2025	30 June 2027
10.	Employee Relocation Policy,	30 January 2025	30 June 2027

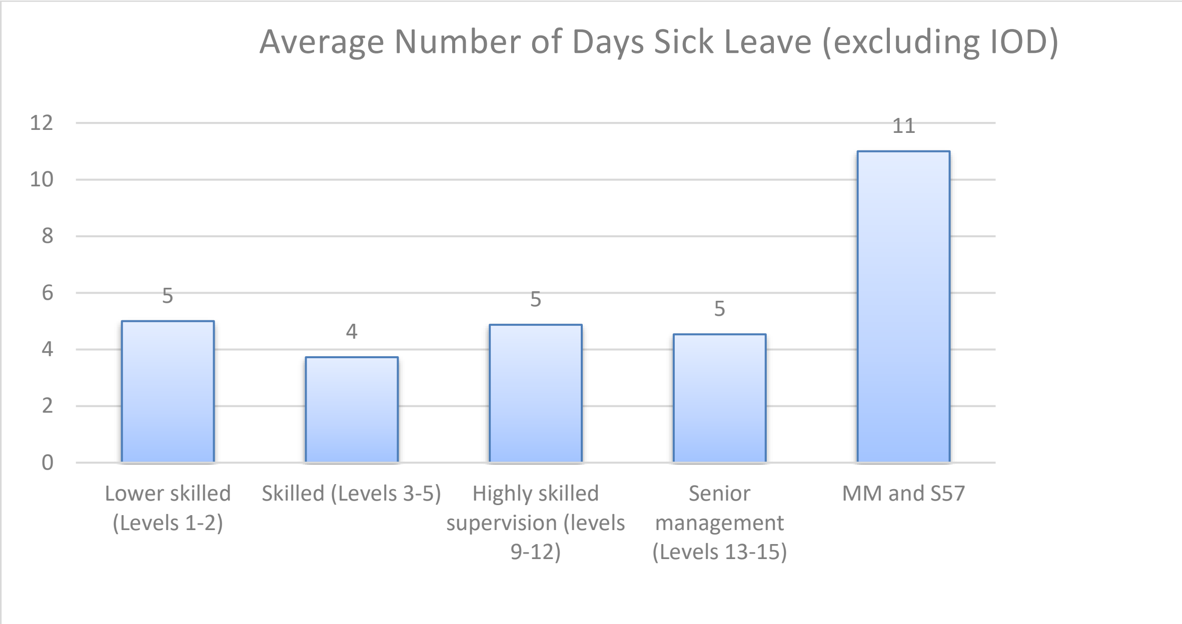
11.	Inclement Weather Policy,	30 January 2025	30 June 2027
12.	Standby Allowance Policy,	30 January 2025	30 June 2027
13.	Car Allowance Policy,	30 January 2025	30 June 2027
14.	Migration And Placement Policy,	30 January 2025	30 June 2027
15.	Young People Practical Training Policy,	30 January 2025	30 June 2027
16.	Overtime Policy,	30 January 2025	30 June 2027
17.	Sunday & Public Holiday Work Policy,	30 January 2025	30 June 2027
18.	Performance Management & Development System (PMDS) Policy.	30 January 2025	30 June 2027
19.	Bursary Policy,	30 January 2025	30 June 2027
20.	Staff Retention Policy,	30 January 2025	30 June 2027
21.	Termination Policy,	30 January 2025	30 June 2027
22.	Bereavement Policy,	30 January 2025	30 June 2027
23.	Employment Equity Policy,	30 January 2025	30 June 2027
24.	Leave Management Policy,	30 January 2025	30 June 2027
25.	HIV/AIDS Policy,	30 January 2025	30 June 2027
26.	Training & Development,	30 January 2025	30 June 2027
27.	S&T Policy	30 January 2025	30 June 2027
28.	Risk Management Policy and Strategy	30 January 2025	30 June 2027
29.	Anti-Fraud Prevention Policy and Strategy	30 January 2025	30 June 2027
30.	Delegation Framework	30 January 2025	30 June 2027
31.	Road Maintenance Policy with Standard Designs	30 January 2025	30 June 2027
32.	Induction Policy,	30 January 2025	30 June 2027
33.	Job Evaluation Policy,	30 January 2025	30 June 2027
34.	Labour Relations Policy,	30 January 2025	30 June 2027
35.	Shift & Night Work Allowance Policy,	30 January 2025	30 June 2027
36.	Remuneration Policy,	30 January 2025	30 June 2027
37.	Secondment Policy,	30 January 2025	30 June 2027
38.	Renewal Or Extension Of Employment Contract,	30 January 2025	30 June 2027
39.	Appointment Of Staff In Political Offices,	30 January 2025	30 June 2027
40	Leave Encashment Leave,	30 January 2025	30 June 2027
41.	Employee Relocation Policy,	30 January 2025	30 June 2027
42.	Cell phone allowance policy	Draft	30 June 2026
43.	Policy on tools of trade	Draft	30 June 2026
44.	ICT policies	Draft	30 June 2025
45.	Records Management policy	Draft	30 June 2025

No	Bylaws	Adoption date	Gazette date
1.	Outdoor advertising bylaw	May 2024	New
2.	Film Making By law	May 2024	New
3.	Informal Trading bylaw	30 Oct 2024	New
4.	Prevention of land invasion bylaw	May 2024	New
5.	Port St Johns SPLUM bylaw	2016	26 September 2016
6.	Port St Johns Municipality building regulations bylaw	2021	26 April 2021
7.	Business Trading Bylaw	30 Oct 2024	New
8.	Standard bylaw township economies	Dec 2024	New
9.	Trade and Investment Promotion Policy	30 Oct 2024	New

4.4. INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	107	4	41%	26	64093
Temporary total disablement	62	1	10%	62	107801
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	**169**	**5**	**3%**	**88**	**171894**
					T 4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	522	0%	69	116	5	312,678
Skilled (Levels 3-5)	257	5%	63	69	4	216908
Highly skilled supervision (levels 9-12)	151	7%	49	31	5	262,438
Senior management (Levels 13-15)	68	1%	7	15	5	174,896.00
MM and S57	55	0%	4	5	11	232,705.00
Total	**1053**		**192**	**236**	**29.13**	**1199625**
** - Number of employees in post at the beginning of the year*						
**Average is calculated by taking sick leave in column 2 divided by total employees in column 5*						*T 4.3.2*



COMMENT ON INJURY AND SICK LEAVE:

There were no injuries reported generally during the period under review, sick leaves taken were more in the following departments generally, Community Services and Engineering, especially among lower-level occupations and during December time. Steps were taken to prevent and reduce injuries, which included provision of protective clothing to workers. Reports on injuries are normally forwarded to Department of Labour as required by Occupational Health & Safety (OHS) Act.

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	**Nature of Alleged Misconduct and Rand value of any loss to the municipality**	**Disciplinary action taken**	**Date Finalized**
Municipal Manager	• Gross dishonesty/Selection of a candidate that should have been disqualified • Negligence /Failure to do a verification and background check of candidate • Breach of Section 56 of LG MSA • Gross Insubordination/Failure to communicate Council resolution on the appointment of NO.3 on	The Incumbent was found guilty and dismissed on the 23rd of July 2025 and took his dismissal to the CCMA.	*The Arbitration hearing was part heard on the 1st of April 2026 and adjourned to the 1st and 2nd of June 2026*

	• Gross Insubordination/Failure to communicate Council Resolution on the real reason to Appoint no.3 • Gross Insubordination/Refusal to appoint lawyers to defend the Council decision to appoint no.3		
H/R Manager	• Gross Insubordination • Gross Insolence • Financial Negligence • Gross Dishonesty • Unauthorized Absence	The incumbent resigned before the finalization of the disciplinary hearing and declared a constructive dispute with the SALGC and the matter was arbitrated on the 16th of February 2026.	*The applicant withdraw the matter during the arbitration hearing and the matter is closed*
Superintendent Licensing	• Gross Dishonesty • Act of Sabotage • Bringing the name of the Municipality into disrepute • Failure to disclose Information	The disciplinary hearing was heard and finalized on the 14th of January 2025.	*The employee through his union entered into a plea bargain and was given a final written warning and the case was closed*
Rand Value: 1. Human Resources Manager=R			
2. Municupal Manager=R			
3. Superintendent=R			

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

There were two suspension/ cases or allegation of various kinds of misconduct which relate to project management the PMU staff. The disciplinary hearing was conducted, however there were some delays because of several reasons including the availability of employee representative. One of the affected employees was reported sick and later died before the case was finalised.

4.5. PERFORMANCE REWARDS

PERFORMANCE REWARDS **Performance Rewards By Gender**					
Designations	**Beneficiary profile**				
	Gender	**Total number of employees in group**	**Number of beneficiaries**	**Expenditure on rewards Year 1**	**Proportion of beneficiaries within group**
				R' 000	**%**
Lower skilled (Levels 1-2)	Female	0	0	0	0%
	Male	0	0	0	0%
Skilled (Levels 3-5)	Female	0	0	0	0%

	Male	0	0	0	0%
Highly skilled production (levels 6-8)	Female	0	0	0	0%
	Male	0	0	0	0%
Highly skilled supervision (levels 9-12)	Female	0	0	0	0%
	Male	0	0	0	0%
Senior management (Levels 13-15)	Female	0	0	0	0%
	Male	0	0	0	0%
MM and S57	Female	0	0	0	0%
	Male	0	0	0	0%
Total		0			0%
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/No
Note: MSA 2000 S51 (d) requires that … 'performance plans, on which rewards are based should be aligned with the IDP'… (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).					*T 4.4.1*

COMMENT ON PERFORMANCE REWARDS:

Although there is a performance management system policy in place, the performance management system has not yet been cascaded to the lower level of staff. The policy gaps were attended through policy review to enable the smooth running of the performance management. The reviewed policy has been adopted by the Council and will cascade from higher level (TG 16 to TG 11) for the purpose of understanding before cascading to lower levels.

4.6. CAPACITATING THE MUNICIPAL WORKFORCE

Port St John's Local Municipality has a high illiteracy rate at 57% amongst low level employees, there is a skills gap identified in ABET/ Basic Literacy, followed by technical skills, Administrative Skills, and Computer Literacy. These have been identified through submission of skills gaps from departments and processed by training Committee.

Improvement made included regular compliance for annual submission of the Workplace Skills Plan and annual training report by Corporate Services department. Municipality has managed to capacitate 64 employees in different fields. Challenges faced include limited budget and financial allocation for workforce capacity building and development.

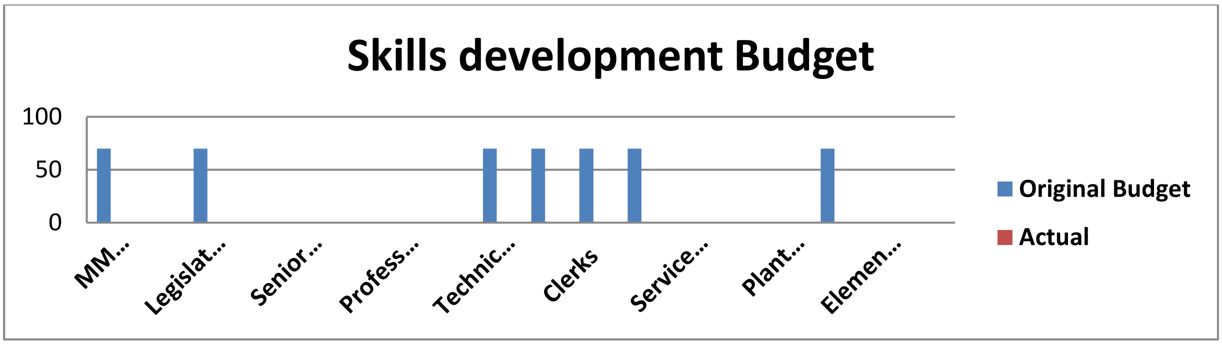
4.7. SKILLS DEVELOPMENT AND TRAINING

Financial Competency Development: Progress Report*

Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c)	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting officer	1	1	2	1	1	1
Chief financial officer	1	0	1	1	1	1
Senior managers	4	0	4	4	4	4
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials						
Heads of supply chain management units	0	0	0	0	0	0
Supply chain management senior managers	0	0	0	1	1	1
TOTAL	**6**	**1**	**7**	**7**	**7**	**7**
** This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)*						*T 4.5.2*

Skills Development Expenditure										
R'000										
Management level	**Gender**	**Employees as at the beginning of the financial year**	**Original Budget and Actual Expenditure on skills development Year 1**							
			Learnerships		**Skills programmes & other short courses**		**Other forms of training**		**Total**	
		No.	**Original Budget**	**Actual**	**Original Budget**	**Actual**	**Original Budget**	**Actual**	**Original Budget**	**Actual**
MM and S57	Female	1	0	0	70	3	0	0	70	
	Male	0	0	0	0	0	0	0		
Legislators	Female	19	0	0	70	2	0	0	70	
	Male	20	0	0						
Senior Officials & Manager	Female	1	0	0	70	3	0	0		
	Male	3	0		70	2	0	0		
Professionals	Female	0	0	0	0	0	0	0		
	Male	0	0	0	0	0	0	0		
Technicians and associate professionals	Female	1	0	0	70	2	0	0	70	
	Male	2	0	0	70	4	0	0	70	
Clerks	Female	3	0	0	70	6	0	0	70	
	Male	1	0	0	70	2	0	0	70	
Service and sales workers	Female	0			0	0	0	0		
	Male	0			0	0	0	0		
Plant and machine operators and assemblers	Female	0	0		0	0	0	0		
	Male	1			70	3	0	0	70	
	Female	0	0	0	0	0	0	0	0	

Elementary occupations	Male	0	0	0	0	0	0	0	0	
Sub total	Female	24			280	13			280	
	Male	23			140	6			140	
Total		47	0	0	420	19	0	0	420	19
**% and *R value of municipal salaries (original budget) allocated for workplace skills plan.*									%*	*R



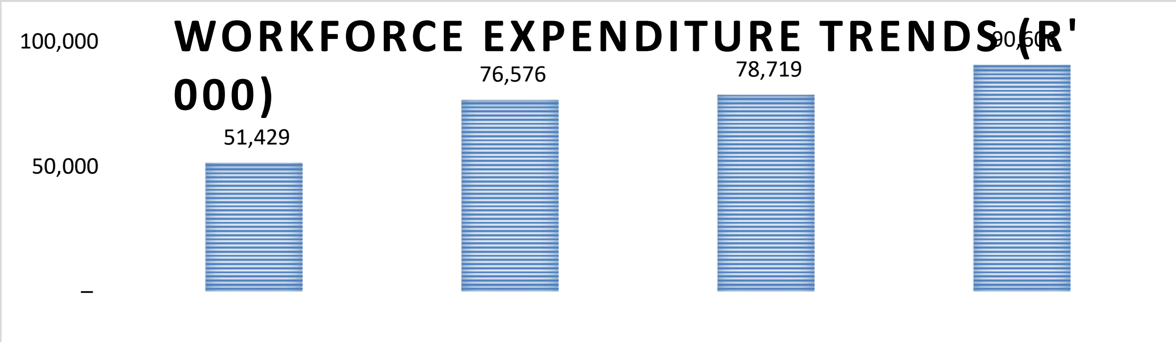
Comment on skills development and related expenditure and on the financial competency regulations:

Skills audit was conducted, and training implementation plan developed to accommodate training priorities. In addition, the departments continue to identify training needs over the year where skills gaps are encountered. The available funds do not effectively cover all the training interventions/ bursaries identified. Currently most finance officials and interns have been subjected to the competency related training as referred in the MFMA Competency Regulations

4.8. Workforce Expenditure

The Employee Related Costs continue to rise with the expenditure sitting above 40% budget threshold as stipulated by the National Treasury. Controls on the expenditure include controls on overtime usage, limiting acting allowances, and freezing filling of other considered non- critical positions. The Council took a resolution to prioritise only critical post as a measure to curb this increasing employee related costs. The move is informed by the fact that expenditure should be contained to allow monies to be released and utilised for service delivery issues. There are pressures to overspend wherein departments continue to recommend post for filling and requesting approval for filling, recommending working of overtime, and Travelling allowance claims.

4.8.1. Employee Expenditure



Source: MBRR SA22

The Employee Related Costs continues to rise with the expenditure sitting 45% budget threshold as stipulated by the National Treasury. Controls on the expenditure include controls on overtime usage, limiting acting allowances, and freezing filling of other considered non- critical positions.

The Council took a resolution in 2022 to prioritise only critical post as a measure to curb this increasing employee related costs. The move is informed by the fact that expenditure should be contained to allow monies to be released and utilised for service delivery issues. There are pressures to overspend wherein departments continue to recommend post for filling and requesting approval for filling, recommending working of overtime, and travelling allowance claims.

Number of employees whose salaries were Increased due to their positions being upgraded		
Beneficiaries	**Gender**	**Total**
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels9-12)	Female	0
	Male	0
Senior management (Levels13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).		*T 4.6.2*

Employees Whose Salary Levels Exceed the Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Middle Managers	10	No Job evaluated	Benchmarked	Variety of reasons including negotiated salary offers at appointment, counteroffer, attraction of scarce skills
Chief Registry Clerk	1	11	Above TG	
Sports Development Officer	1	11	Above TG	
Forman- Roads & Maintenance	1	9	Above TG	
Traffic Officer	1	8	Personal to incumbent	
Town Planner	1	13	Personal to incumbent	
Admin Clerk	1	5	Personal to incumbent	
				T 4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
n/a	n/a	n/a	n/a	n/a
				T 4.6.4

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

There were no upgraded posts in the municipality during the year under review. The Municipality's positions on the current structure are still on job evaluation exercise to determine whether there are any to be upgraded. Currently, the Municipality is using the job evaluation results of 2006. There are few positions evaluated by District Job Evaluation Committee and confirmed by Provincial Audit Committee as per operating structure.

4.9. Disclosures Of Financial Interests

All councillors and officials disclosed their financial interest through signing of forms that were issued by SCM. The disclosure of interests forms are safely filed in the Accounting Officer's office and a file copy at SCM for reference.

4.10. Performance Management

Port St. Johns Municipality has an approved Organizational Performance Management System (OPMS) Framework and was adopted by the Council in January 2025. This document serves as a guideline document for the implementation of the Performance Management System (PMS) within the Municipality. The Municipality has further developed the Performance Procedure Manual which was adopted by the Council in December 2016. The implementation of performance management is guided by various legislative prescripts and requirements.

The municipality has is still using a manual performance management system and is currently under the process of cascading performance management to lower levels until Task Grade 11.

PSJ conducts quarterly, mid-term and annual performance reviews for organization performance and will commence with individual reviews when the implementation of the policy has commenced.

The OPMS Framework is inclusive of the following interrelated processes:

- Planning;
- Implementation.
- Monitoring.
- Evaluation.

The Municipality's PMS is the primary mechanism to monitor, review, and improves the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. In addition, the Municipality's PMS facilitates increased accountability, learning, improvement, as well as providing early warning signals to facilitate decision-making. The PMS monitors actual performance against set targets and contractual obligations. Effective service delivery relies upon the IDP, efficient utilization of all resources and the PMS being closely integrated across all functions at an organizational and individual level.

The most valuable reason for measuring performance is that what gets measured gets done. Once performance planning and the IDP have been completed and departmental SDBIP's are in place, they need to be implemented by executing the work in accordance with these plans. As the work is executed, it needs to be continuously monitored and periodically measured and reported on. Reporting requires that the Municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements, and analysis, and present this information in a simple and accessible format, relevant and useful to the specific target group, whilst meeting the legal prescripts for reporting. The process of reporting also includes assessments which are done at a quarterly basis, mid-term and annually as stipulated in the policy

CHAPTER 5

5.1. Introduction

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components: -

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

5.2. Statement Of Financial Performance

5.2.1. Introduction To Financial Statements

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

5.2.2.1. Comments On Financial Statements

The financial statements were prepared according to the GRAP standards. The municipality's financial position is healthy. The municipality is reliant on government grant however this does not affect its going concern. Port St. Johns municipality was using Khwalo Business Accountant & Auditors for the preparation of financial statements on a contract amount of R6 068 562.50 on a 3-year contract which will expire in July 2025.

STATEMENTS OF FINANCIAL PERFORMANCE

						R' 000
Description	Year2023/24	Current: Year 20224/25			Year 2024/25 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	15559722.00	15000000.00	15000000.00	15230702.00	1.02	1.02
Service charges	1141309.00	2937200.00	1500000.00	1202380.00	0.41	0.80
Investment revenue	17508253.75	20000000.00	20000000.00	33446215.63	1.67	1.67
Transfers recognised - operational	201343912.00	236891100.00	269404068.00	280555309.00	1.18	1.04
Other own revenue	9403061.00	12227908.00	23850326.00	6655225.00	0.54	0.28
Total Revenue	**244956257.75**	**287056208.00**	**329754394.00**	**337089831.63**	1.17	1.02
Employee costs	105103360.00	132671111.00	135452336.00	129867423.00	0.98	0.96
Remuneration of councillors	14240129.00	16539238.00	15939238.00	15363182.00	0.93	0.96
Depreciation & asset impairment	58923174.00	68262541.00	68262541.00	72161.00	0.00	0.00

Finance charges	4090896.00				#DIV/0!	#DIV/0!
Materials and bulk purchases	48654660.00	51936940.00	54090300.00	33127678.00	0.64	0.61
Transfers and grants	14066472.00	12000000.00	15000000.00	15007500.00	1.25	1.00
Other expenditure	119310321.00	122633223.00	130054216.00	101317523.00	0.83	0.78
Total Expenditure	**364389012.00**	**404043053.00**	**418798631.00**	**294755467.00**	0.73	0.70
Surplus/(Deficit)	**-119432754.25**	**-116986845.00**	**-89044237.00**	**42334364.63**	-0.36	-0.48
Contributions recognized - capital & contributed assets	101773470.00	69145900.00	96145900.00	106696072.00		
Surplus/(Deficit)	-17659284.25	-47840945.00	7101663.00	149030436.63	-3.12	20.99
	-	-	-	-		
Share of surplus/ (deficit) of associate	-17659284.25	-47840945.00	7101663.00	149030436.63	-3.12	20.99
Capital expenditure & funds sources						
Capital expenditure					#DIV/0!	#DIV/0!
Transfers recognized - capital	51261567.00	94779900.00	153883588.00	119142463.00	1.26	0.77
Internal generated funds	1241742.00	56750000.00	56279366.00	28814667.00	0.51	0.51
Public contributions & donations						
Borrowing						
Total sources of capital funds	52503309.00	151529900.00	210162954.00	147957130.00	0.98	0.70
Financial position						
Current assets	193593317.00	194753974.00	193857687.00	134167967.00	0.69	0.69
Non -current assets	643843417.00	575174750.00	650869024.00	780567663.00	1.36	1.20
Current liabilities	125269728.00	65366821.00	65378071.00	36975920.00	0.57	0.57
Non- current liability	15373242.00	13724830.00	13724830.00	16628854.00	1.21	1.21
Community wealth/Equity ACC SUR	664736134.00	690837073.00	765623810.00	685388373.00	0.99	0.90
Cash flows						
Net cash from (used) operating	173132094.00	65319210.00	-327264167.00	473815293.00	7.25	-1.45
Net cash from (used) investing	-46002082.00	-151213626.00	902365.00	-81007417.00	0.54	-89.77
Net cash from (used) financing	-333339.00			-333339.00		#DIV/0!

cash and cash equivalent at the beginning of the year	126796673.00	-85894416.00	-326361802.00	392474537.00	-4.57	-1.20
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1						*T 5.1.1*

5.2.2.2. Comments On Financial Performance:

The municipality had some challenges at the beginning of the financial year. The belt tightening mechanisms adopted by the council of the municipality managed to reduce its spending as a result did not incur unauthorized expenditure. The cash flow status improved as well

5.2.3. GRANTS

Grant Performance						
						R' 000
Description	Year – 2023/24	Year 2024/25			Year 2024/25 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	**193,515**	**203,985**	**203,985**	**203,973**		
Equitable share	193,515	203,985	203,985	203,973		
Municipal Systems Improvement						
Department of Water Affairs						
Levy replacement						
Other transfers/grants [insert description]						
Provincial Government:	**550**	**1,003**	**1,286**	**1,286**		
Health subsidy						
Housing						
Ambulance subsidy						
Sports and Recreation	550	1,003	1,286	1,286		
Other transfers/grants [insert description]						
District Municipality:	**–**	**–**	**–**	**–**		
[insert description]						
Other grant providers:	**–**	**–**	**–**	**–**		
[insert description]						
Total Operating Transfers and Grants	**194,065**	**204,988**	**205,271**	**205,259**		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						*T 5.2.1*

COMMENT ON OPERATING TRANSFERS AND GRANTS:

The municipality received all its gazetted grants. No variances were experienced except for grants received by the municipality which were not gazetted. These grants include grants from local government support and Local Government seta grant. All grants received by the municipality were spent within their conditions for the current year.

T 5.2.2

Grants Received from Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	**Actual Grant Year - 2022/23**	**Actual Grant Year 2023/24**	**Year 2024/2025 Municipal Contribution**	**Date Grant terminates**	**Date Municipal contribution terminates**	**Nature and benefit from the grant received, include description of any contributions in kind**
Parastatals						
A - "Project 1"	0	0	0	0	0	0
Foreign Governments/Development Aid Agencies						
A - "Project 1"	0	0	0	0	0	0
Private Sector / Organisations						
A - "Project 1"	0	0	0	0	0	0
Provide a comprehensive response to this schedule						*T 5.2.3*

5.2.3.1. Comments On Conditional Grants and Grant Received from Other Sources

The municipality received Capital grants for infrastructure such as Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Small-Town Revitalization (STR) Municipal Disaster relief grant (MDRG), Department of transport (DOT). Also, there are operational Grants received such as financial management grant (FMG), expanded public works programme (EPWP) and Department of Sport and recreation (DSRAC).

5.3. ASSET MANAGEMENT

5.3.1 **Introduction to Asset Management**

The municipality adopts an integrated approach to asset management, taking the municipal strategy, converting that into an asset management strategy and producing plans based upon an analysis of service delivery options; formulating an asset management strategy consisting of detailed plans for acquisitions and replacements, operation and maintenance as well as disposals in terms of the municipality's policies; informing the Integrated

Development Program (and revised Integrated Development Program) and then the annual budget, using the detailed plans; funding approved asset management plan appropriately through the budget; including in the Service Delivery and Budget Implementation Plan (SDBIP) the measurable objectives and targets of asset management plan and reporting on the performance of assets as measured in terms of service delivery based upon an approved Service Delivery & Budget Implementation Plan, budget and Integrated Development Plan. The Municipality has an asset register that is compliant with GRAP standards.

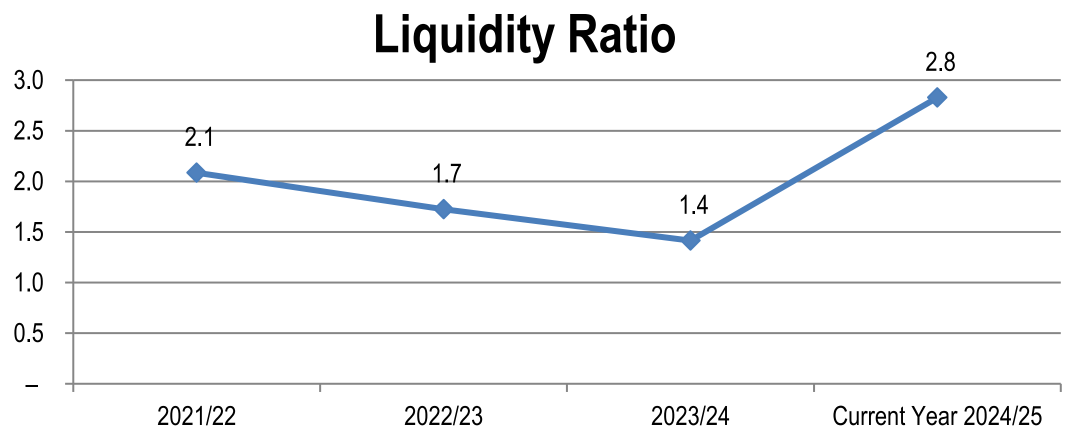
Repair and Maintenance Expenditure Engineering: Year 2024/2025
R' 000

	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	16240000	18376096	11170209	39%
				T 5.3.4

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

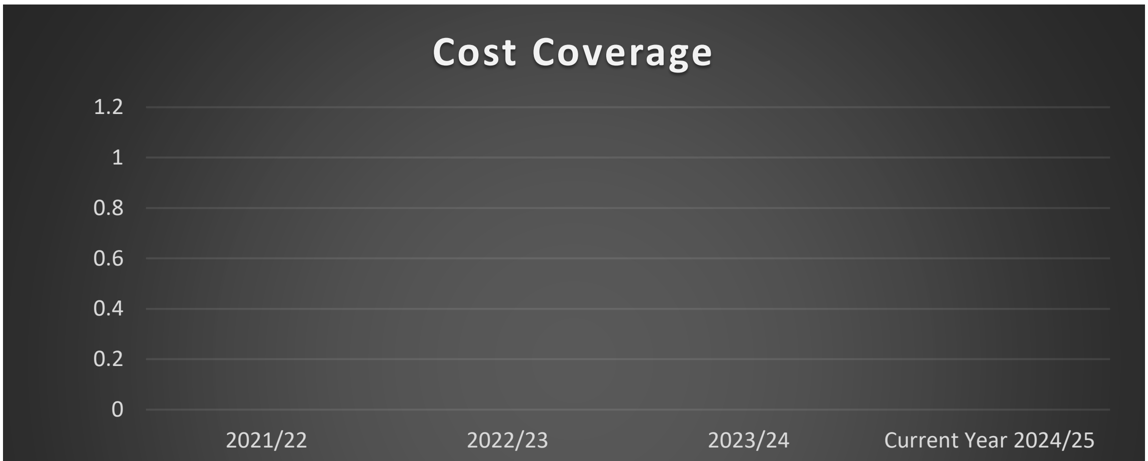
The Municipality has increased its budget in order to meet the demands for road maintenance and upkeep of plant and machinery. The plant and machinery of the municipality is ageing thus requiring regular repairs.

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

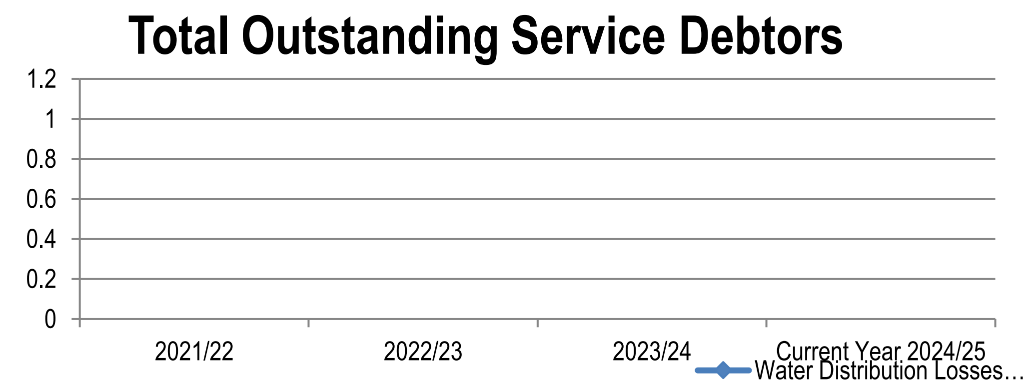
Data used from MBRR SA8



Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

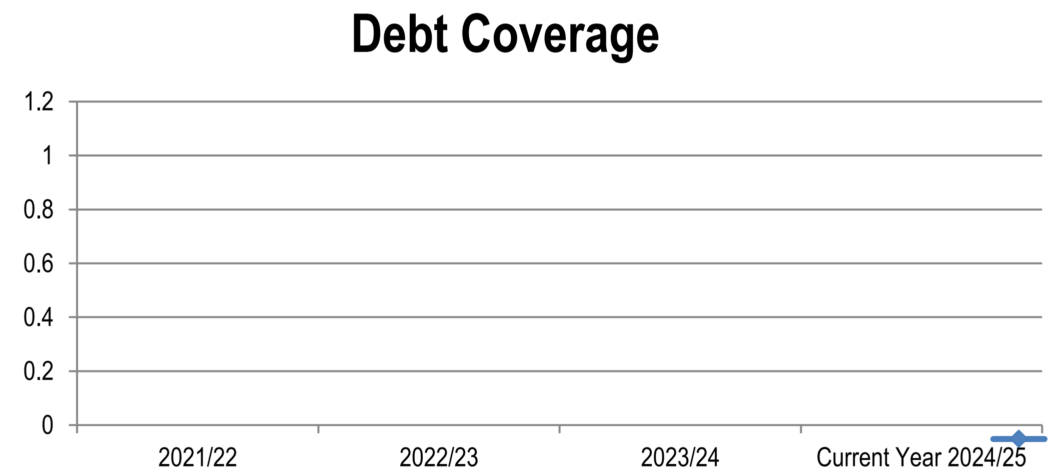
Currently the municipality is able to cover /meet its operating commitments for the next seven months which is a good reflection and is above the norm.

Data used from MBRR SA8



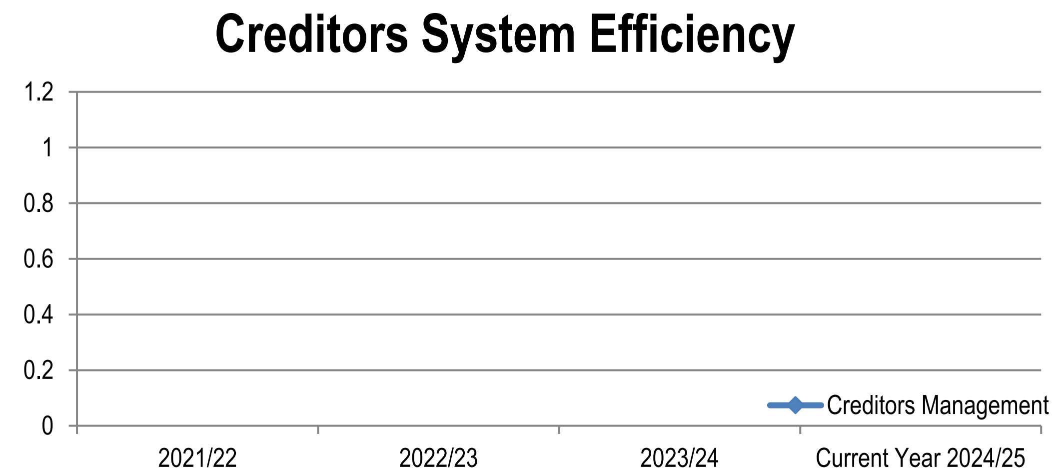
Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8



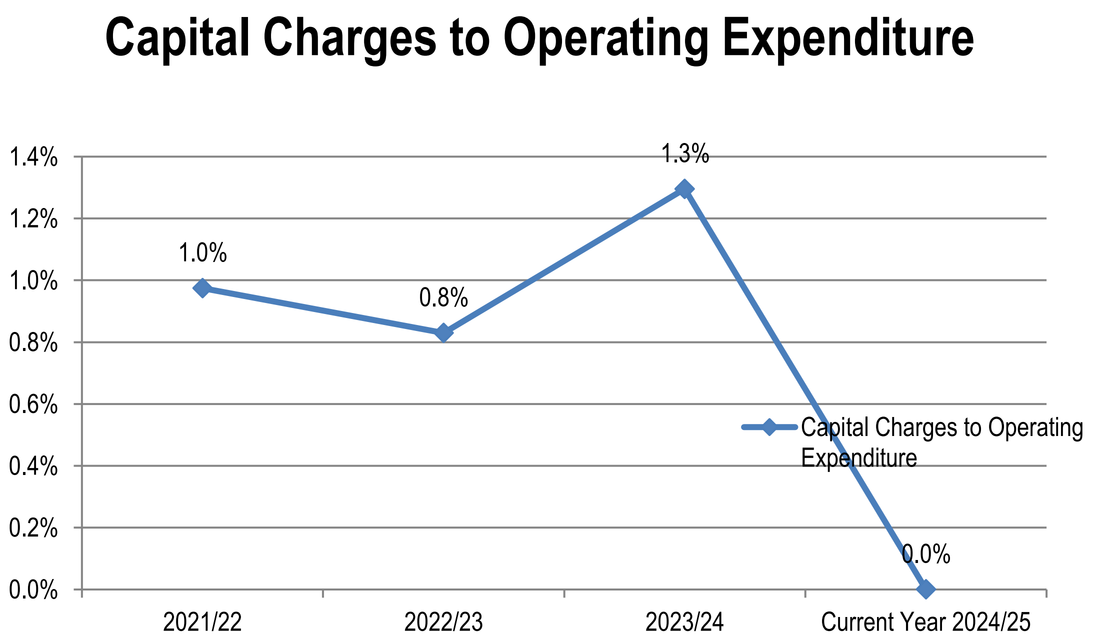
Debt Coverage– The number of times debt payments can be accomodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accomodated by the municipality

Data used from MBRR SA8



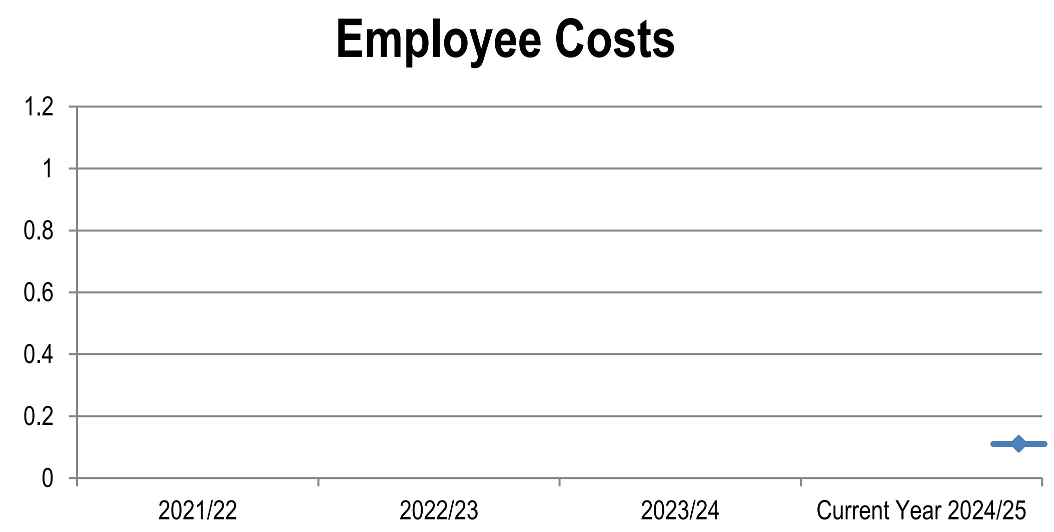
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8



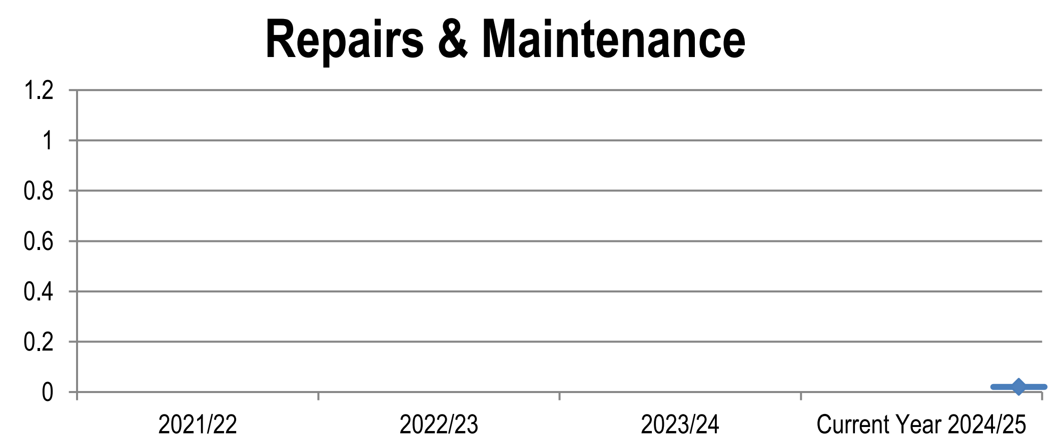
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8



Repairs and Maintenance – This represents the propotion of operating expenditure spent and is calculated by dividing the total repairs and maintenace.

Data used from MBRR SA8

COMMENT ON FINANCIAL RATIOS:

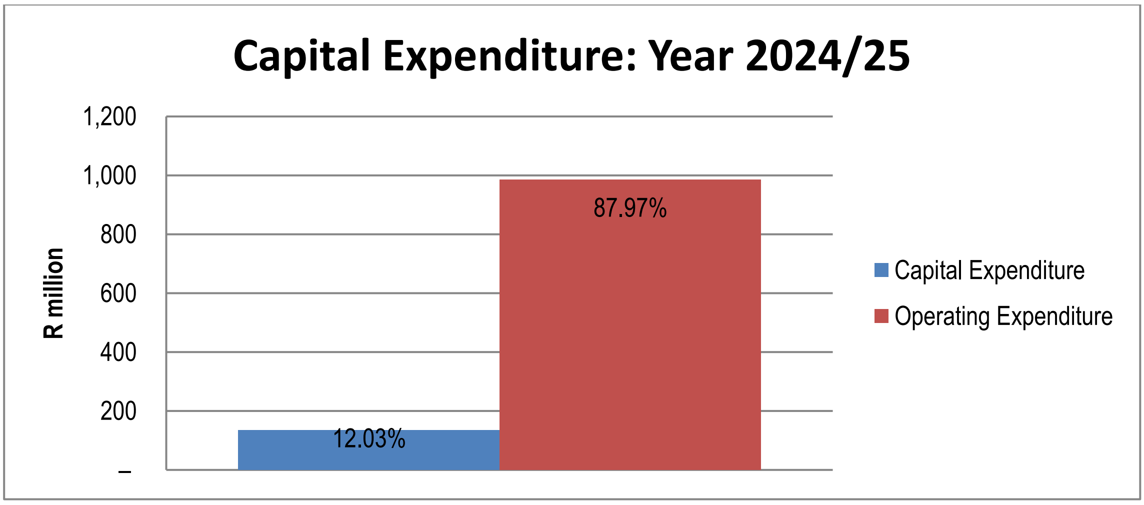
The municipality's ratios have increased in liabilities and assets and the increase in investments has increased the municipality's current assets compared to the previous year.

5.4. SPENDING AGAINST CAPITAL BUDGET

5.4.1. Introduction To Spending Against Capital Budget

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditure and surpluses. The municipality's capital expenditure is funded by grants and operation surpluses. The municipality spent all its allocated funds on municipal infrastructure grant.

5.5 CAPITAL EXPENDITURE

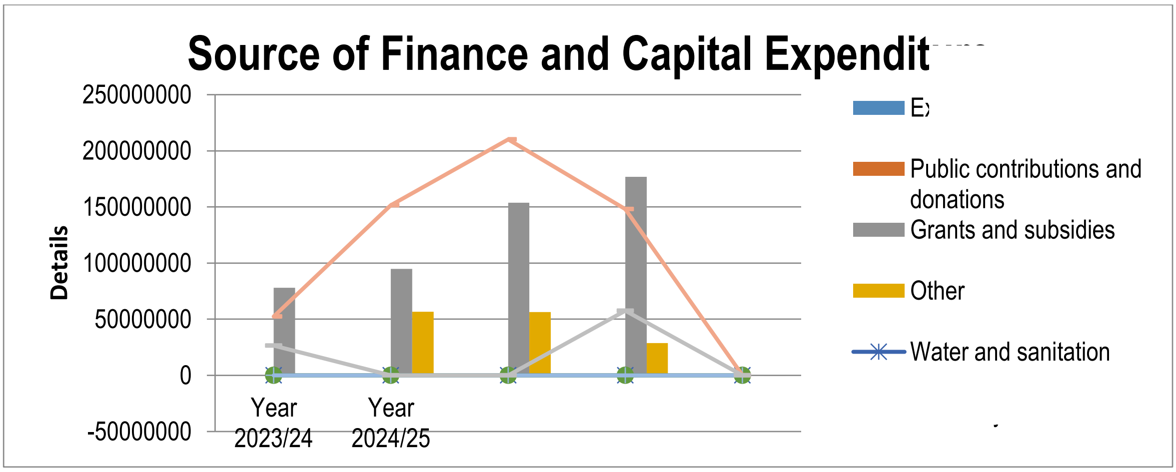


5.6 SOURCES OF FUNDING

Capital Expenditure - Funding Sources: Year -1 to Year 0							
							R' 000
Details		Year - 2023/2024	Year 2024/25				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	3542	5500	5520	5511	0.36%	0.20%
	Public contributions and donations	248	300	390	421	30.00 %	40.33%
	Grants and	77907419	94779900	153883586	176741860	62.36 %	86.48%

	subsidies						
	Other	1241742	56750000	56279366	28814667	-0.83%	-49.23%
Total		**79152951**	**151535700**	**210168862**	**205562459**	**91.89%**	**77.78%**
Percentage of finance							
	External loans	0.0%	0.0%	0.0%	0.0%	0.4%	0.3%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%	32.6%	51.9%
	Grants and subsidies	98.4%	62.5%	73.2%	86.0%	67.9%	111.2%
	Other	1.6%	37.4%	26.8%	14.0%	-0.9%	-63.3%
Capital expenditure							
	Water and sanitation	1845	4300	4250	4256	-1.16%	-1.02%
	Electricity	1562	2400	2480	2453	3.33%	2.21%
	Housing	1243	2700	2800	2685	3.70%	-0.56%
	Roads and storm water	52503309	151529900	210162954	147957130	38.69%	-2.36%
	Other	26644992	3500	3450	57595935	-1.43%	1645498.14%
Total		**79152951**	**151542800**	**210175934**	**205562459**	**43.14%**	**1645496.41%**
Percentage of expenditure							
	Water and sanitation	0.0%	0.0%	0.0%	0.0%	-2.7%	0.0%
	Electricity	0.0%	0.0%	0.0%	0.0%	7.7%	0.0%
	Housing	0.0%	0.0%	0.0%	0.0%	8.6%	0.0%
	Roads and	66.3%	100.0%	100.0%	72.0%	89.7%	0.0%

	storm water						
	Other	33.7%	0.0%	0.0%	28.0%	-3.3%	100.0%
							T 5.6.1



COMMENT ON SOURCES OF FUNDING:

The municipality relies mostly on grant funding for capital projects. There are no other sources except for own revenue which also not enough to fund even our operations.

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Programme by Project by Ward: Year 2024/2025		
R' 000		
Capital Project	**Ward(s) affected**	**Works completed (Yes/No)**
Sanitation/Sewerage		
Electricity		
Electrification Programme- Ngqwaleni- Ntsimbini 105	07	Yes
Electrification Programme- Tombo 115	04	Yes
Electrification Programme- Ntlanjeni 106	07	Yes
Electrification Programme- Jambeni Phase 2 106	19	Yes
Electrification Programme- Dumasi 106	05	Yes
Electrification Programme-Sobaba phase 2 105	14	Yes
Electrification Programme- Nkampini 84	06	Yes

Electrification Programme- Amadwaleni Qhoboshendlini 122	16	Yes
Electrification Programme- Swakazi 87	10	Yes
Electrification Programme- Mpantu 79	06	No
Electrification Programme- Phahlakazi 104	01	Yes
Electrification Programme- Ngxongweni 83	08	Yes
Highmast lights	04,10,13, 16, 20	Yes
Buchele 7,8 km	11	Yes
Cibati 5,5km	18	No
Goqwana 4.5 km	15	Yes
Ludalasi 6.8 km	03	Yes
Mbabalane 8.2 km	16	Yes
Mbokazi 7km	13	Yes
Community Hall Ward 14	14	No
Community Hall ward 13	13	Yes
Dumasi-Nomyezo Bridge	03	Yes
Bizana Bridges	02	Yes
Lugasweni	09	No
Nyakeni Bridge	01	No
Ezintakumbeni – Dubulweni Bridge	07	Yes
Dedeni- Mkhumeni Bridge	10	Yes
Gabelana -Diphini Bridge	10	Yes
Ntlantsana Farms Bridge & 12km AR	10	Yes
Rhebu AR	01	Yes
Nonyevu AR	06	Yes
PSJ CBD Phase 1	06	Yes
Sports, Arts & Culture		
PSJ Beautification		Yes
Environment		
Clean-up campaign		Yes
Health		
Safety and Security		

COMMENT ON CAPITAL PROJECTS:

The municipality relies mostly on grant funding for capital projects. There are no other sources except for own revenue which also not enough to fund even our operations.

There is a need for additional funds to finance infrastructure backlogs within the municipality. The current infrastructure is unable to meet the needs of the communities.

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

5.8.1 INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Port St John's Local Municipality has a lot of backlogs because the area is rural and dependent on grants. The revenue is minimal which makes it difficult to sustain itself. In terms of housing needs, we have 22 000 backlogs, 12 000 backlog on electrification, and 790.5km of roads backlog. The budget allocation for infrastructure does not meet expectations of the communities.

Service Backlogs as at 30 June Year 2024				
				Households (HHs)
	*Service level above minimum standard		*Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	2500	95%	15000	51.00%
Sanitation	2500	95%	12000	15.00%
Electricity	2500	85%	12000	15.00%
Waste management	2500	95%	30000	95%
Housing	0	0	22000	60.00%
*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.*				*T 5.8.2*

Details	Budget	Adjustments Budget	Actual	Variance: Budget	Variance: Adjustments Budget	Major conditions applied by donor (continue below if necessary)
Infrastructure - Road transport				%	%	
Roads, Pavements & Bridges	33	33	33	0%	0%	
Storm water				%	%	
Infrastructure - Electricity				%	%	
Generation				%	%	
Transmission & Reticulation	25	25	21	82%	0%	
Street Lighting				%	%	
Other Specify:				%	%	
Total				%	%	
** MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.*						*T 5.8.3*

COMMENT ON BACKLOGS:

A three- year capital plan was developed to ensure proper implementation of projects. The applications of MIG funds for projects implementation are done in time to avoid any delays of approval process. We have since improved in our project spending and reporting without compromising quality of services provided.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

This section deals with cash flow management and investment activities undertaken by the municipality during the reporting year.

5.9 CASH FLOW

5.9.1 INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

This section deals with cash flow management and investment activities undertaken by the municipality during the reporting year.

Cash Flow Outcomes R'000				
Description	Year 2023/2024	Current: Year 2024/2025		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	8,881	17,350	(2,593)	3,384
Government - operating	198,038	211,257	(49,987)	280,555
Government - capital	72,362	94,780	(0)	113,704
Interest	17,005	20,000	20,000	33,446
Dividends	–	–	–	
Payments				
Suppliers and employees	(123,924)	(298,250)	(308,024)	(167,574)
Finance charges				
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	**172,362**	**45,137**	**(340,604)**	**263,515**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	1	316	902	1,059
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				

Capital assets	(46,003)	(151,530)	–	(82,066)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(46,002)**	**(151,214)**	**902**	**(81,007)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	
Borrowing long term/refinancing	–	–	–	
Increase (decrease) in consumer deposits	–	–	–	
Payments				
Repayment of borrowing	–	–	–	
NET CASH FROM/(USED) FINANCING ACTIVITIES	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**126,360**	**(106,076)**	**(339,702)**	**182,508**
Cash/cash equivalents at the year begin:				
Cash/cash equivalents at the year end:	**126,797**	**(85,894)**	**(326,362)**	**392,475**
Source: MBRR A7				*T 5.9.1*

COMMENT ON CASH FLOW OUTCOMES

The municipality's cash flow statement shows that more funds were spent on operations than on investing activities. This is due to the fact that capital expenditure is funded by a grant which is very limited. A major part of revenue is from grants.

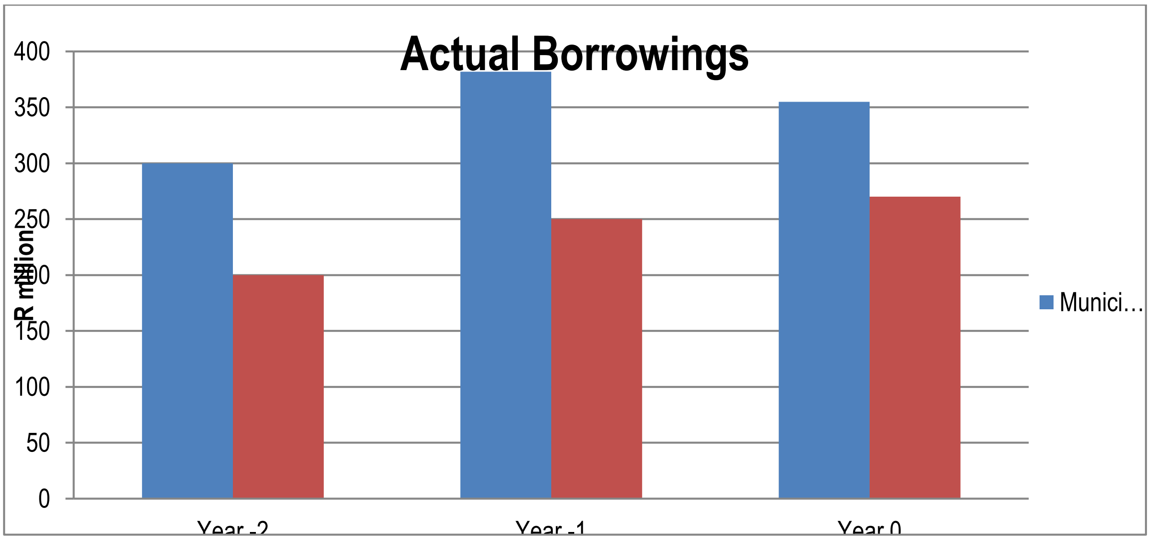
5.10 BORROWING AND INVESTMENTS

5.10.1 INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality does not have any borrowings for the reporting period.

Actual Borrowings: Year 2023/24 to Year 2024/2025			
R' 000			
Instrument	**2021/2022**	**Year 2022/2023**	**Year 2023/2024**
Municipality			
Long-Term Loans (annuity/reducing balance)	0	0	0
Long-Term Loans (non-annuity)	0	0	0
Local registered stock	0	0	0
Installments Credit	0	0	0
Financial Leases	0	0	0
PPP liabilities	0	0	0
Finance Granted By Cap Equipment Supplier	0	0	0
Marketable Bonds	0	0	0
Non-Marketable Bonds	0	0	0

Bankers Acceptances	0	0	0
Financial derivatives	0	0	0
Other Securities	0	0	0
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)	0	0	0
Long-Term Loans (non-annuity)	0	0	0
Local registered stock	0	0	0
installments Credit	0	0	0
Financial Leases	0	0	0
PPP liabilities	0	0	0
Finance Granted By Cap Equipment Supplier	0	0	0
Marketable Bonds	0	0	0
Non-Marketable Bonds	0	0	0
Bankers Acceptances	0	0	0
Financial derivatives	0	0	0
Other Securities	0	0	0
Entities Total	0	0	0
			T 5.10.2



Municipal and Entity Investments			
			R' 000
Investment* type	Year -2022/2023	Year -2023/2024	Year 2024/2025
	Actual	Actual	Actual
Municipality			
Securities - National Government	0	0	0
Listed Corporate Bonds	0	0	0
Deposits - Bank	0	0	0
Deposits - Public Investment Commissioners	0	0	0
Deposits - Corporation for Public Deposits	0	0	0
Bankers’ Acceptance Certificates	0	0	0

Negotiable Certificates of Deposit - Banks	0	0	0
Guaranteed Endowment Policies (sinking)	0	0	0
Repurchase Agreements - Banks	0	0	0
Municipal Bonds	0	0	0
Other	0	0	0
Municipality sub-total	0	0	0
Municipal Entities			
Securities - National Government	0	0	0
Listed Corporate Bonds	0	0	0
Deposits - Bank	0	0	0
Deposits - Public Investment Commissioners	0	0	0
Deposits - Corporation for Public Deposits	0	0	0
Bankers' Acceptance Certificates	0	0	0
Negotiable Certificates of Deposit - Banks	0	0	0
Guaranteed Endowment Policies (sinking)	0	0	0
Repurchase Agreements - Banks	0	0	0
Other	0	0	0
Entities sub-total	0	0	0
Consolidated total:	0	0	0
			T 5.10.4

COMMENT ON BORROWING AND INVESTMENTS:

There were no borrowings and investments in the 2024/2025 financial year.

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS (PPP):

There are no PPPs entered into by the municipality for the reporting year.

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

5.12.1 SUPPLY CHAIN MANAGEMENT

Supply chain management (SCM) unit has been established in terms of the MFMA and SCM regulations. Committees are in place and are functioning in terms of their functions. Procurement plans will be introduced and implemented during the next financial year. This is for purposes of ensuring constant procurement of municipal services 2.8.1.

5.13 GRAP COMPLIANCE

5.13.1 GRAP COMPLIANCE

The municipality has compiled its annual financial statements in terms of GRAP.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

6.1 INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements, and financial management of all municipalities. MSA section 45 states that the results of performance measurement… must be audited annually by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS

6.1 AUDITOR GENERAL REPORTS YEAR (2024/2025)

6.1 INTRODUCTION

Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements, and financial management of all municipalities. MSA section 45 states that the results of performance measurement… must be audited annually by the Auditor-General**.** Accordingly, Port St Johns Local Municipality submitted the financial statements in terms of section 126 of the Municipal Finance Management Act 56 of 2003.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -2024/25

6.1 AUDITOR GENERAL REPORTS YEAR -0 (2024/2025)

Auditor-General Report on Financial Performance: Year 0 (2024/2025)	
Audit Report Status*:	qualified
Emphasis of matter	Remedial Action Taken
*Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)* *T 6.1.1*	

AUDITOR-GENERAL REPORT ON FINANCIAL PERFORMANCE: YEAR 1 (2023/2024

Auditor-General Report on Financial Performance: Year 1 (20232024)	
Audit Report Status*:	
Emphasis of matter	Remedial Action Taken

*Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)* *T 6.1.2*	

AUDIT REPORT 2024/2025

APPENDICIES

Councillors, Committees Allocated and Council Attendance					
Council Members	**Full Time / Part Time** **FT/PT**	**Committees Allocated**	***Ward and/ or Party Represented**	**Percentage of Council Meetings Attendance** **%**	**Percentage Apologies for non-attendance** **%**
Cllr N. Mlombile -Cingo	Full Time	EXCO Member & chairperson (till August 2024)	PR -ANC	0%	100%
Cllr C. Mazuza	Full Time	Council chairperson (till October 2024 EXCO Member & Chairperson (06 October 2024- to date	PR- ANC	100%	0%
Cllr. E.S. Sicoto	Full Time	Portfolio head Corporate Services (till Council Chairperson (from October 2024)		92%	8%
Cllr X. Moni	Part Time	Council Whip	PR-ANC	66%	34%

		EXCO Member & acting chairperson (August -October 2024)			
Cllr F. Mafaka	Part Time	Portfolio Head Community Services and S P U Standing Committee	Ward 17 Cllr-ANC	85%	15%
Cllr A. Gantsho	Part Time	Council chairperson (01 July November 2021 to date) Portfolio Head LED (November 2021 to date)	PR-ANC	81%	19%
Cllr N. Tani	Part Time	BTO Standing Committee	PR-ANC	77%	23%
Cllr.K. Bikiza	Part Time	Portfolio Head Corporate Services and Planning Research and IGR Standing Committee (from October 2024)	PR-ANC	96%	4%
Cllr. S. Madolo	Part Time	Portfolio Head Engineering & Planning Standing Committee	PR- ANC	51%	49%
Cllr. N. Vava	Part Time	Petitions and Public Participation Committee	Ward 01 Cllr-	81%	19%
Cllr. P. Nomarobo	Part Time	BTO	Ward 02 Cllr	92%	08%
Cllr. M. B. Madotyeni	Part Time	Corporate Services	Ward 03 Cllr-ANC	88%	12%
Cllr. N. Kawu	Part Time	LED	Ward 04 Cllr-ANC	81%	19%
Cllr. M. Maninjwa	Part Time	Ethics & Members Interest	Ward 05 Cllr-ANC	77%	23%
Cllr. Z. Mhlabeni	Part Time	MPAC	Ward 06 Cllr-ANC	81%	19%
Cllr. B. I. Ndudu	Part Time	Community Services	Ward 07 Cllr-ANC	77%	23%
Cllr. B. Mjakuja	Part Time	Women's Caucus	Ward 08 Cllr-ANC	59%	41%
Cllr. S. Ndabeni	Part Time	Corporate Services	Ward 09 Cllr-ANC	74%	26%
Cllr. N. Javu	Part Time	Ethics & Members Interest	Ward 10 Cllr-ANC	100%	0%
Cllr. B. Ncomfu	Part Time	Ethics & Members Interest (November 2022-September 2024)	Ward 11 Cllr-ANC	3%	97%
Cllr. P. Ngozi	Part Time	LED	Ward 12 Cllr-ANC	59%	41%
Cllr. N. Puzi	Part Time	Women's Caucus	Ward 13 Cllr-ANC	81%	19%
Cllr. N. Dobe	Part Time	Petitions & Public Participation	Ward 15 Cllr-ANC	74%	26%
Cllr. S.V. Mavimbela	Part Time	Municipal Public Accounts Committee	Ward 16 Cllr-ANC	62%	38%
Cllr. S. Ncolosi	Part Time	LED	Ward 18 Cllr-ANC	81%	19%

Cllr. N. F. Dobe	Part Time	Community Services	Ward 19 Cllr-ANC	88%	12%
Cllr. M. Makaula	Part Time	Community Services	Ward 20 Cllr-ANC	96%	4%
Cllr. Z. Mtiki	Part Time	Ethics and Members Interest Committee	PR-ANC	62%	38%
Cllr. N.L. Mpoqo	Part Time	Ethics and Members Interest Committee (December 2024 to date)	Ward 11- ANC	95%	5%
Cllr. T. Tshikitshwa	Part Time	Engineering Committee	PR- ANC	96%	4%
Cllr. N. Mazaleni	Part Time	Community Services	PR- ANC	92%	8%
Cllr. N. Nontlevu	Part Time	Engineering Committee (from March 2025)	PR- ANC	100%	0%
Cllr. S.L. Ntlatywa	Part Time	Municipal Public Accounts Committee	PR-UDM	59%	41%
Cllr. A.M. Jam-jam	Part Time	Corporate Services	PR-ATM	85%	15%
Cllr. M. Ntiyantiya	Part Time	Petition and Public Participation	PR-ATM	74%	26%
Cllr. C. Hashibi	Part Time	Ethics & Members Interest	PR- EFF	33%	67%
Cllr. F. Fono	Part Time	Community Services	PR- EFF	77%	33%
Cllr. O. Ndumela	Part Time	EXCO Member	PR- EFF	66%	34%
Cllr. Z. Zozi	Part Time	Petition and Public Participation	PR- ANC	70%	30%
Cllr. T. Xangayi	Part Time	BTO	PR- DA	62%	38%
Cllr. Z.T. Pato	Part Time	BTO	PR- CI	77%	23%
*Note: * Councilors appointed on a proportional basis do not have wards allocated to them*					*T A*

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees		
Municipal Committees	**Purpose of Committee**	
Council	Council	Political oversight
EXCO	EXCO	All matters requiring attention arising from the provisions of the relevant legislation inline the departmental mandate and the Municipal Delegation Framework
BTO Standing Committee	Section 80	Financial Management Oversight
LED Standing Committee	Section 80	All matters requiring attention arising from the provisions of the relevant legislation in line with the departmental mandate and the Municipal Delegation Framework

Corporate Services and Research Planning and IGR	Section 80	All matters requiring attention arising from the provisions of the relevant legislation in line with the departmental mandate and the Municipal Delegation Framework
Community Services Standing & SPU	Section 80	All matters requiring attention arising from the provisions of the relevant legislation in line with the departmental mandate and the Municipal Delegation Framework
Engineering Services Standing Committee	Section 80	All matters requiring attention arising from the provisions of the relevant legislation in line with the departmental mandate and the Municipal Delegation Framework
Municipal Public Accounts Committee (MPAC)	Section 79	All matters requiring attention arising from the provisions of the relevant legislation in line with the Municipal Delegation Framework
Rules, Ethics & members interest	Section 79	All matters requiring attention arising from the provisions of the relevant legislation in line with the Municipal Delegation Framework
Petitions & Public Participation	Section 79	All matters requiring attention arising from the provisions of the relevant legislation in line with the Municipal Delegation Framework
Women's Caucus	Section 79	All matters requiring attention arising from the provisions of the relevant legislation in line with the Municipal Delegation Framework
Audit, Risk & Performance Committee	Section 166	All matters requiring attention arising from the provisions of the relevant legislation in line with the Municipal Delegation Framework
Disciplinary board on financial misconduct	MFMA Regulations	Investigate allegations of financial misconduct in the municipality or municipal entity, and to monitor the institution of disciplinary proceedings against an alleged transgressor.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	**Director/Manager (State title and name)**
Municipal Manager	Vacant
Corporate Services	Mr. B. Bara (Acting) from March 2025-June 2025
Budget & Treasury Office	Ms Z. Sodladla (acting) from March 2025- July 2025 Ms. T. Sikolo (till February 2025)
Community Services	Mr. E. Mzayiya
Engineering Services	Mr. S. Wana (from October 2024) Mr. C. Obose (July- August 2024)

Planning & Local Economic Development	Ms S. Batyi
Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).	*T C*

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	**Function Applicable to Municipality (Yes / No) ***	**Function Applicable to Entity (Yes / No)**
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	No
Building regulations	Yes	No
Childcare facilities	No	No
Electricity and gas reticulation	Yes	No
Firefighting services	No	No
Local tourism	Yes	Yes
Municipal airports	Yes	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	Yes	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	No
Pontoons, ferries, jetties, piers, and Harbours, excluding the regulation of international and national shipping and matters related thereto	Yes	Yes
Storm water management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	No	No
Beaches and amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, Funeral Parlours and Crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No
Facilities for the accommodation, care and burial of animals	Yes	No
Fencing and fences	Yes	No
Licensing of dogs	No	No

Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	No	Yes
Municipal abattoirs	No	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No
***If municipality: indicate (yes or no); * If entity: Provide name of entity**		*T D*

APPENDIX E – WARD REPORTING

Functionality of Ward Committees

Ward Name (Number)	Name of Ward Councilor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers' Office on time	Number of quarterly public ward meetings held during year
Ward 1	Cllr Nomsa Vava	Yes	12	12	4
Ward Committee	1. Duba Tembile 2. Maphetshana Mfundo 3. Ntsunguzi Nomfanelo 4. Magqagqa Vuyani 5. Gantsho Nobuhle 6. Hlawula Khanyiswa 7. Maselanga Nolubode 8. Zabonke Mkhuseli 9. Ndabambi Zuzekile 10. Nquzu Nomathemba				
Ward 2	Cllr Patric Nomarhobo	Yes	12	12	4
Ward Committee	1.Nomonde Peyise 2. Zanele Bambaliphi 3. Nobonke T. Xamba 4. Nobesuthu Xhongo 5. Luyanda Mateke 6. Luyanda Nomgwantu 7. Nosipho Nondoda 8. Pumezo Xinwa 9. Sanga Sithelo				

	10. Mluleki Tshuku				
Ward 3	Cllr Makhosandile Madotyeni	Yes	12	12	4
Ward Committee	1. Noqhakuva Zingisa 2. Mthobela Nophumzile 3. Mafuna Sindiswa 4. Matsilela Bonke 5. Makhosi Lungiswa 6. Mthakathi Ntombosindiso 7. Ntlalombi Nontsebenzo 8. Mcacelwa Nkathalo 9. Baliso Ntuthuzelo 10. Mzinzelwa Nontsabelo				
Ward 4	Cllr Ndumiso Kawu	Yes	12	12	4
Ward Committee	1. Magungxu Zukiswa 2. Mnyamana Mvuyisi 3. Rolo Xoliswa 4. Mbulawa Phindile 5. Diphu Ivy 6. Nompaka Siphosoxolo 7. Gqibela Sindiso 8. Mtyana Thabisa 9. Mdibaniso Nombeko 10.Hlakulwana Nomanono				
Ward 5	Cllr Mziwabantu Maninjwa	Yes	12	12	4
Ward Committee	1. Bongiwe Maninjwa 2.Pumza Bara 3.Masande Gawe 4. Daliwonga Mkhungwana 5. Sifiso Ntsunguzi 6.Mbeko Makubalo 7. Khanyisa Sigidi 8. Mziwethemba Mdokwe 9. Noxolisa Mgxekwa 10. Nomsa Majija				
Ward 6	Cllr Zwelivumile Mhlabeni	Yes	12	12	4
Ward Committee	1. Stephrina Mbuthuma 2. Boniswa Magabela 3. Mbulelo Qhekeza 4. Mkhuseli Mfuywa 5. Khayiza Noxungwana 6. Bonginkosi Ntinini 7. Nokuzola Ngxola 8. Nohombile Sago 9. Ayanda Liwani				
Ward 7	Cllr Bongile Ndudu	Yes	12	12	4
Ward Committee	1. Mthuthuzeli Rutsha 2. Jongikhaya Mbulungwana 3. Vuyokazi Mahlaleni 4. Cebisa Gxotyana 5. Xolile Msolwa 6. Veliswa Mabhombo 7. Ongezwa Nyingwa 8. Boniswa Cele 9. Nokuzola Mantaka 10. Mkhuseli Ndamase				

Ward 8	Cllr Mjakuja Bulelwa	Yes	12	12	4
Ward Committee	1. Nomzamo Mdeni 2. Ntombizandile Bhotyani 3. Nwabisa Nontsabongo 4. Xoliswa Majali 5. Nonkoliso Mankayi 6. Zithem`bele Zikhali 7. Thembisile Hundlela 8. Nokuthula Majali 9. Boniwe Mlityalwa 10. Mkhwenkwe Mdunyelwa				
Ward 9	Cllr Siphiwo Ndabeni	Yes	12	12	4
Ward Committee	1. Yalekile Nkqwili 2. Momelezi Mgewu 3. Noneka Taliwe 4. Nomawonga Ndabeni 5. Noluvuyo Mqingo 6. Welani Ngobo 7. Nkululeko Qekeka 8. Lungiswa Gwiji 9. Thobeka Mpokompoko 10. Nokulunga Xego				
Ward 10	Cllr Nomthandazo Javu	Yes	12	12	4
Ward Committee	1. Bonginkosi Hanxa 2. Fundiswa Manyindana 3.Zikhona Ndlazi 4.Zwelihle Tshonono 5.Nominkelo Mahlamvu 6.Nompumelelo Ziqetu 7.Zanele Mfethe 8.Sizwe Gangxa 9.Msawenkosi Nondula				
Ward 11	Cllr Boniswa Ncomfu	Yes	12	12	4
Ward Committee	1. Nomalungisa Mjikwa 2.. Xolile Ntsholweni 3. Siphelele Tshwaphile 4. Thandi Ngcofa 5. Nonzwakazi Sele 6. Jerry Dorkin 7. Veliswa Qhoboshiyane 8. Nokubonga Sothiya 9. Nomvano Magemntu 10. Noluthando Bukuza				
Ward 12	Cllr Phiwaba Ngozi	Yes	12	12	4
Ward Committee	1. Xolisa Dyasi 2. Mmeli Innocent Nzama 3. Phumza Catala 4. Nowethu Mabhayiza 5. Nofundile Nombuyekezo Mlamla 6. Zameka Nkalweni 7. Nosandile Sitshisa 8. Mzukisi Mhlunguthi 9. Nophelo Fikiswa Ntlola 10. Nokwakhiwa Ncomfu				
Ward 13	Cllr Nokwanda Puzi	Yes	12	12	4
Ward Committee	1. Mbongeni Eric Gamndana				

	2. Nofezile Ndoko 3. Silindile Dambeni 4. Nontuthuzelo Mgayo 5. Mveliso Puzi 6. Bonelwa Ngangalaza 7. Yanga Manxele 8. Nosisa Mbangutshe 9. Zakhele Siwinile 10. Ntombentle Njenene				
Ward 14	Cllr Simthembil Sicotho	Yes	12	12	4
Ward Committee	1. Nompumelelo Njongo 2. Ntombikanina Vazidlula 3. Nkosikhona Joji 4. Nontlahla Guqa 5. Sibulele Tuse 6. Ncebakazi Mabhide 7. Nomfuneko Asanda Voco 8. Vuyani Hlalayedwa 9. Vuyokazi Mtshoko 10. Buleleka Sally Ann Sigcau				
Ward 15	Cllr Nomakhosi Dobe	Yes	12	12	4
Ward Committee	1. Simthembile Gqibani 2. Nandipha Sobayeni 3. Nolungile Tembisa Civita 4. Mlungiseleli Mmeli 5. Funeka Dolanti 6. Ntombovuyo Nikelwa Sitwa 7. LindaniSotshongaye 8. Thandiswa Mahlasela 9. Bongani Mbali 10. Nomvelo Matshingane				
Ward 16	Cllr Sivuyile Mavimbela	Yes	12	12	4
Ward Committee	1. Mfuneko Dike 2. Noma-Efese Ndabeni 3. Nomfundo Ndlezini 4. Nontembeko Nobununu 5. Nontobeko Noxwembe 6. Khuselwa Matshikwe 7. Kholiswa Mthunzini 8. Nondumiso Manxiweni 9. Sinikelo Nopiyo 10. Xolelwa Mapepe				
Ward 17	Cllr Fezeka Mafaka	Yes	12	12	4
Ward Committee	1. Thozama Silwanyana 2. Vusumzi Jabulile Jojo 3. Okuhle Gqala 4. Nolubabalo Mkhohlwa 5. Ngenisile Sisweli 6. Zukile Patrick Mgoduka 7. Phumza Ntshangase 8. Nomandla Mthiywa 9. Lumka Mvunywa 10. GwegweThembeka				
Ward 18	Cllr Simnikiwe Ncolosi	Yes	12	12	4
Ward Committee	1. Siphokazi Tshobongo 2. Phumla Jojo				

	3. Faniswa Jackson 4. Nosindiso Mzenge 5. Morris Siwexu 6. Nelisiwe Xinixini 7. Mncedisi Mampokoza 8. Yonela Giyama 9. Nosandi Macoto 10. Sebenzile Mathobisa				
Ward 19	Cllr Nomakhosi Dobe	Yes	12	12	4
Ward Committee	1. Noluzuko Magobongo 2. Msawenkosi Mfundisi 3. Bomela Tuleleni 4. Mzuvukile Mzaza 5. Nomfundo Mayekiso 6. Bongani Mnyameni 7. Nomzamo Mgoduka 8.Thembalipheli Madiloyi 9. Lamleka Sikhundlwana 10. Wandisile Mancipha				
Ward 20	Cllr Mongezi Makaula	Yes	12	12	4
	1. Vuyisa Notha 2. Mluleki Mjucwa 3. Nomfuneko Soga 4. Nokhanyo Mahlikihla 5. Mkhululi Tshingana 6. Nompumezo Zakomba 7. Nokubonga Mafletshana 8. Fikiswa Mngangwa 9. Ntombifikile Marwarwa 10. Nokonwaba Nduku				
					T E

APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 2023/2024(Full List at Appendix O)				
				R' 000
No.	**Project Name and detail**	**Start Date**	**End Date**	**Total Value**
1				
2				
3				
4				
5				
6				
8				
				T F.1

Basic Service Provision					
Detail	**Water**	**Sanitation**	**Electricity**	**Refuse**	**Housing**
Households with minimum service delivery	1950	1950	24500	3500	

Households without minimum service delivery	9465	7100	11042.5	31550	
Total Households*					
Houses completed in year					
Shortfall in Housing units					
*Including informal settlements					T F.2

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	**Priority Name and Detail**	**Progress During Year 2024/2025**
1	Goqwana access road 4.5km	Completed
2	Ludalasi Access road 6.8km	Completed
3	Mbokazi access road 7km	Completed
4	Bridges	In progress

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2024/2025

Municipal Audit Committee Recommendations		
Date of Committee	**Committee recommendations during Year 0**	**Recommendations adopted (enter Yes) If not adopted (provide explanation)**
29-Aug-24	That the Auditor General be invited in all meetings including those of presentation of AFS	Yes
	That the Audit Action Plan be colour coded	Yes
	That the Annual Financial Statements be submitted to the Auditor General by the 30th August 2024 with a complete Accounting file	Yes
	That a final version of the AFS be submitted to the Audit Committee	Yes
	That the municipality consider migrating to a automated system for leave management, but the manual system be kept until the automated system is fully phased in and fully functional	Yes
	That the Fixed Asset Register be submitted to Provincial Treasury for review	Yes
	That the vacancy of the Risk Management Officer be filled	Yes
	That the municipal policies be submitted to Council for adoption	Yes
	That Internal Audit matters and a follow report and update provided in all Audit Committee meeting	Yes
29 Jan 25	That the RMC report be deferred to Q3 meeting	Yes
	That Management respond to Internal Audit findings within two (2) days from the date of receipt from Internal Audit	Yes
26 Apr 2025	Employees leaving the institutions must fill in exit form	Yes
	For unachieved actions and deviations must be in writing and motivate how the improvements with timeframes and must be signed by the Municipal Manager.	Yes

	a) All committees should convened in accordance with legislated timeframes. b) That there should be a report for performance of service providers. c) That there should be a committee for the evaluations of performance of Senior managers d) That the Audit committee provides assurance on the 1st quarter MFMA section 52d report to be recommended for approval by council.	Yes

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Term Contracts (20 Largest Contracts Entered into during Year 2024/2025)					
R' 000					
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Rhweba Trading 1136	Construction of Cibati access road ward 18	28-Jun-24	28-Feb-25	Mr N Bunge	R5 885 234.25
Milibo Trading	Construction of Buchele access road in ward 11	28-Jun-24	28-Feb-25	Mr N Bunge	R7 561 014.82
Mphumzi & Sons	Construction of Goqwana Access Road in ward 15	28-Jun-24	28-Feb-25	Mr N Bunge	R7 555 000.00
Tswella Trading	Construction of Ludalasi access road in ward 03	28-Jun-24	28-Feb-25	Mr N Bunge	R7 965 362.94
LM Developments	Construction of Mbabalane Access Road in ward 16	28-Jun-24	28-Feb-25	Mr N Bunge	R9 094 086.29
Barleda 785 cc	Construction of Mbokazi Access Road in ward 13	28-Jun-24	28-Feb-25	Mr N Bunge	R7 890 000.00
zipho Zetho PTY LTD	Construction of Ward 14 community hall	28-Jun-24	28-Feb-25	T.Kwape	R4 266 619.30
Sizakancane	Construction of Ward 13 Community hall	28-Jun-24	28-Feb-25	N.Bunge	R4 266 617.30

Tabono engineering	INEP electrification programme 20 km bulk infrastruction	N/A	N/A	Mr N Bunge	R0
Tabono engineering	INEP electrification programme for 2024/25	28-Jun-2024	28-Jun-2025	T.Kwape	R31 277 000.00
Masiyephambile	Construction, delivery and installation of x5 Highmast Lights	30-May - 25	30-Jun-2025	T.Kwape	R4 206 658.31
Consulting Engineers -Disaster Projects					
Masilakhe consulting	Professional services for Dumasi-Nomyezo Bridge	06-March-2024	01-Jan-2025	N.Bunge	R539 247.45
BM Consulting	Professional services for Bizana Bridges	06-March-2024	01-Jan-2025	N.Bunge	R697 408.42
Isidingo Engineers	Professional services for Lugasweni	06-March-2024	01-Jan-2025	N.Bunge	R895 475.93
BM Consulting	Professional services for Nyakeni Bridge	06-March-2024	01-Jan-2025	N.Bunge	R567 106.00
Masilakhe Consulting	Professional Services for Ezintakumbeni – Dubulweni Bridge	06-March-2024	01-Jan-2025	N.Bunge	R596 242.50
Masilakhe Consulting	Professional services for Dedeni- Mkhumeni Bridge	06-March-2024	01-Jan-2025	N.Bunge	R412 823.45
BM Consulting	Professional services for Gabelana -Diphini Bridge	06-March-2024	01-Jan-2025	N.Bunge	R841 581.50
OLON Consulting	Professional services for Ntlantsana Farms Bridge & 12km AR	06-March-2024	01-Jan-2025	N.Bunge	R1 399 700.00
SDM Consulting	Professional Services for Rhebu AR	06-March-2024	01-Jan-2025	N.Bunge	R350 648.00
Masilakhe Consulting	Professional Services for Nonyevu AR	06-March-2024	01-Jan-2025	N.Bunge	R598 605.00

EKS Engineers	Professional services for PSJ CBD Phase 1	06-March-2024	01-Jan-2025	N.Bunge	R2 250 908.52
Contractors -Disaster projects					
B.Cala	Reconstruction of Dumasi-Nomyezo Bridge	01-July-2024	01-Jan-2025	N.Bunge	R2 599 821.16
Mizotech	Reconstruction of Bizana Bridges	01-July-2024	01-Jan-2025	N.Bunge	R3 090 666.38
Ixhanga	Reconstruction of Lugasweni	01-July-2024	01-Jan-2025	N.Bunge	R5 797 384.00
Selb	Reconstruction of Nyakeni Bridge	01-July-2024	01-Jan-2025	N.Bunge	R2 409 129.10
Dolly and sons	Reconstruction of Ezintakumbeni – Dubulweni Bridge	01-July-2024	01-Jan-2025	N.Bunge	R2 149 525.09
Mathayi construction	Reconstruction of Dedeni-Mkhumeni Bridge	01-July-2024	01-Jan-2025	N.Bunge	R2 639 900.51
Onwaba Project	Reconstruction of Gabelana - Diphini Bridge	01-July-2024	01-Jan-2025	N.Bunge	R3 044 384.02
Madstof	Reconstruction of Ntlantsana Farms Bridge & 12km AR	01-July-2024	01-Jan-2025	N.Bunge	R11 316 851.80
Nomali	Recoinstruction of Rhebu AR	01-July-2024	01-Jan-2025	N.Bunge	R2 920 081.44
Joeco	Reconstrcution of Nonyevu AR	01-July-2024	01-Jan-2025	N.Bunge	R2 673 476.46
Maboka	Reconstruction of PSJ CBD Phase 1	01-July-2024	01-Jan-2025	N.Bunge	R10 144 314.20

APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Entity report is attached as annexure

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures
Period 1 July to 30 June of Year 2024/2025 (Current Year)

Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	Cllr Mazuza	Nil
EXCO Member	Cllr Gantsho	Nil
EXCO Member	Cllr Mafaka	Nil
EXCO Member	Cllr Tani	Nil
EXCO Member	Cllr Madolo	Nil
EXCO Member	Cllr Ndumela	Nil
EXCO Member	Cllr Bikiza	Nil
EXCO Member		
EXCO Member		
Council Speaker	Cllr Sicoto	Nil
Council Whip	Cllr Moni	Nil
Councillor	Cllr Mpoqo	Nil
Councillor	Cllr Mjakuja	Nil
Councillor	Cllr Maqhajini	Nil
Councillor	Cllr Xangayi	Nil
Councillor	Cllr Fono	Nil
Councillor	Cllr Ndudu	Nil
Councillor	Cllr Madotyeni	Nil
Councillor	Cllr Ntiyantiya	Nil
Councillor	Cllr Makaula	Nil
Councillor	Cllr Maninjwa	Nil
Councillor	Cllr Jam-jam	Nil
Councillor	Cllr Kawu	Nil
Councillor	Cllr Puzi	Nil
Councillor	Cllr Mazaleni	Nil
Councillor	Cllr Dobe	Nil
Councillor	Cllr Vava	Nil
Councillor	Cllr Ndabeni	Nil
Councillor	Cllr Ngozi	Nil
Councillor	Cllr Dobe	Nil
Councillor	Cllr Nomarhobo	Nil
Councillor	Cllr Ndumela	Nil
Councillor	Cllr Mavimbela	Nil
Councillor	Cllr Ntlatywa	Nil
Councillor	Cllr Pato	Nil
Councillor	Cllr Tshikitshwa	Nil
Councillor	Cllr Mtiki	Nil
Councillor	Cllr Zozi	Nil
Councillor	Cllr Mhlabeni	Nil
Acting Municipal Manager	Mr. M. Ngxekana	Nil
Chief Financial Officer	Ms. N. F Siwahla	
Senior Manager Corporate Services	Mr. M. Ngxekana	Nil

Senior Manager Community Services	Mr. E. Mzayiya	Nil
Senior Manager Planning &LED	Ms. S. Batyi	Nil
Senior Manager Engineering Services	Mr. S. Wana	Nil

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

A PPENDIX K(I) REVENUE COLLECTION BY SOURCE

Revenue Collection Performance by Vote						
						R' 000
Vote Description	Year -1	Current: Year 0			Year 0 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Executive & Council	72,484.00	25,703	25,703	64,503.00	251%	251%
LED	18,607	18,978	18,978	21,502	113%	113%
Municipal Manager	17,388	16,133	16,133	21,502	133%	133%
Corporate Services	18,194.00	18,689	18,702	21,617.00	116%	116%
Community Services	21,214	32,921	34,145	23,106	70%	68%
Financial Services	59,194	92,581	115,217	65,074	70%	56%
Infrastructural Engineering	78,489	156,283	205,548	115,442	74%	56%
Example 8 - Vote 8						
Example 9 - Vote 9						
Total Revenue by Vote	**286**	**361**	**434**	**333**	**0**	**0.23**
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						*T K.1*

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Source						
						R '000
Description	Year - 2022/2023	Year 2023-2024			Year 2023/24 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	11,346	11,965	14,965	15,560	23%	4%
Property rates - penalties & collection charges		–	–	–		
Service Charges - electricity revenue						

Service Charges - water revenue						
Service Charges - sanitation revenue						
Service Charges - refuse revenue	1,085	1,500	2,435	1,141	-31%	-113%
Service Charges - other						
Rentals of facilities and equipment	162	200	200	148	-35%	-35%
Interest earned - external investments	10,586	49,201	68,301	17,508	-181%	-290%
Interest earned - outstanding debtors	7,099	5,030	5,565	7,546	33%	26%
Dividends received						
Fines	225	100	100	255	61%	61%
Licenses and permits	528	120	120	601	80%	80%
Agency services						
Transfers recognised - operational	270,806	200,917	200,753	281,938	29%	29%
Other revenue	5,927	1,557	1,570	879	-77%	-79%
Gains on disposal of PPE	–	302	302	1,177	74%	74%
Environmental Proctection						
Total Revenue (excluding capital transfers and contributions)	**307,764**	**270,892**	**294,311**	**326,754**	**17.10%**	**9.93%**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Conditional Grants: excluding MIG						
						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Office of the Premier Grant	15000000	16 516 557	17 227 349	115%	104%	Construction of Road and Side streets
Integrated National Electrification programmme	26 768	24 368	24 357	90%	100%	Electrification of Port St Johns Communities
Extended public works programme	1555	1805	1805	116%	010%	Payment of wages for casuals
Financial Management Grant	2650000	2650000	2650000	100%	100%	Payment of stipend for Finance interns and Capacity building of BTO Staff
LG SETA						Payment of stipend for LGSETA interns
DSRAC Provincial	550 000	839 578	556 000	100%	66%	Provide assistance in Libraries

Total	46 523	46 179	46 595			

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

Port St Johns municipality received other conditional capital grant/s other than the Municipal Infrastructure grant (MIG), which is Integrated National Electrification program and small-town revitalization; however, we can appreciate if more can be availed to unlock service delivery backlog.

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital Expenditure - New Assets Programme*							
							R '000
Description	Year - 2022/2023	Year 2024/2025			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total	–	–		–	–	–	–
buildings							
Other							
Investment properties - Total	–	–		–	–	–	–
Housing development							
Other							
Other assets	–	–		–	–	–	–
General vehicles	2609042	2800000	2903202	2194037			
Specialised vehicles							
Plant & equipment	3683686	500000	500000	347000			
Computers - hardware/equipment	1315099	1670000	1363000	990811			
Furniture and other office equipment	69998	1578046	1311434	378295			
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings	**334 000**	**600 000**	**466 000**	**195 669**			
Other Land							
Surplus Assets - (Investment or Inventory)							

Other							
Agricultural assets	–	–		–	–	–	–
List sub-class							
Biological assets	–	–		–	–	–	–
List sub-class							
Intangibles	–	–		–	–	–	–
Computers - software & programming							
Other *(list sub-class)*							
Total Capital Expenditure on new assets	**–**	**–**		**– 86294488**	**–**	**–**	**–**
Specialised vehicles	**–**	**–**		**–**	**–**	**–**	**–**
Refuse							
Fire							
Conservancy							
Ambulances							
** Note: Information for this table may be sourced from MBRR (2009: Table SA34a)*							*T M.1*

APPENDIX M (II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Capital Expenditure - Upgrade/Renewal Programme*							
							R '000
Description	Year - 2021/2022	Year 2024/2025			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	**–**	**–**		**–**	**–**	**–**	**–**
Infrastructure: Road transport -Total	–	–		–	–	–	–
Roads, Pavements & Bridges	26206035	45703000	45703000	3080620			
Storm water							
Infrastructure: Electricity - Total	–	–		–	–	–	–
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	–	–		–	–	–	–
Dams & Reservoirs							
Water purification							

Reticulation							
Infrastructure: Sanitation - Total	–	–		–	–	–	–
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	–	–		–	–	–	–
Waste Management							
Transportation							
Gas							
Other							
Community	**–**	**–**		**–**	**–**	**–**	**–**
Parks & gardens							
Sports fields & stadia							
Swimming pools							
Community halls	0	45703000	45703000	11521826			
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	–	–		–	–	–	–
Buildings							
Other							
Table continued next page							
Table continued from previous page							

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 2023/2024

Capital Programme by Project: Year 2024/2025					
					R' 000
Capital Project	**Original Budget**	**Adjustment Budget**	**Actual**	**Variance (Act - Adj) %**	**Variance (Act - OB) %**
Water					
PSJ Off channel Dam		0	0	0	0
Sanitation/Sewerage					
PSJ Sewer		0	0	0	0

Electricity					
PSJ Electrification 2024/25	**31277000**	**31277000**	**3127700 0**		97
Electrification Programme- Ngqwaleni- Ntsimbini 105	2740000	2740000	2359051		86
Electrification Programme- Tombo 115	2980000	2980000	2940000		98
Electrification Programme- Ntlanjeni 106	2756000	2756000	2756000		100
Electrification Programme- Jambeni Phase 2 106	2756000	2756000	2749999		100
Electrification Programme- Dumasi 106	2766500	2766500	2763970		100
Electrification Programme-Sobaba phase 2 105	2718500	2718500	2718500		100
Electrification Programme- Nkampini 84	2194000	2194000	2194000		100
Electrification Programme- Amadwaleni Qhoboshendlini 122	3180000	3180000	2695254		85
Electrification Programme- Swakazi 87	2256000	2256000	2255999		100
Electrification Programme- Mpantu 79	2060000	2060000	250000		100
Electrification Programme- Phahlakazi 104	2700000	2700000	2588577		96
Electrification Programme- Ngxongweni 83	2170000	2170000	2233210		100
Roads					
Buchele 7,8 km	7561014	855122	7445840		100
Cibati 5,5km	7037506	7037506	5756024		82
Goqwana 4.5 km	7555000	7555000	7168749		95
Ludalasi 6.8 km	7965362	7965362	7534207		100
Mbabalane 8.2 km	9094086	10193264	1019226 4		100
Mbokazi 7km	7890000	7890000	7514502		95
Community Hall Ward 14	4266617	4266617	3053964		72
Community Hall ward 13	4925000	4925000	4907225		100
Sports, Arts & Culture					
Upgrading of Military Sportsfied & Facility	8,500,00 0	850000 0	0		0
"Project B"	0	0	0		
Environment					
Beautification of PSJ Parks Phase 2	1462	1462	1462	100	0
"Project B"	0	0	0	0	0
Health					
"Project A"	0	0	0	0	0
"Project B"	0	0	0	0	0
Safety and Security					
"Project A"	0	0	0	0	0
"Project B"	0	0	0	0	0
ICT and Other					
"Project A"	0	0	0	0	0
"Project B"	0	0	0	0	0
					T N

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2024/2026

R' 000		
Capital Project	**Ward(S) Affected**	**Works Completed (YES/NO)**
Sanitation/Sewerage		
Electricity		
Electrification Programme- Ngqwaleni- Ntsimbini 105	07	Yes
Electrification Programme- Tombo 115	04	Yes
Electrification Programme- Ntlanjeni 106	07	Yes
Electrification Programme- Jambeni Phase 2 106	19	Yes
Electrification Programme- Dumasi 106	05	Yes
Electrification Programme-Sobaba Phase 2 105	14	Yes
Electrification Programme- Nkampini 84	06	Yes
Electrification Programme- Amadwaleni Qhoboshendlini 122	16	Yes
Electrification Programme- Swakazi 87	10	Yes
Electrification Programme- Mpantu 79	06	No
Electrification Programme- Phahlakazi 104	01	Yes
Electrification Programme- Ngxongweni 83	08	Yes
Highmast Lights	04,10,13, 16, 20	Yes
Buchele 7,8 Km	11	Yes
Cibati 5,5km	18	No
Goqwana 4.5 Km	15	Yes
Ludalasi 6.8 Km	03	Yes
Mbabalane 8.2 Km	16	Yes
Mbokazi 7km	13	Yes
Community Hall Ward 14	14	No
Community Hall Ward 13	13	Yes
Dumasi-Nomyezo Bridge	03	Yes
Bizana Bridges	02	Yes
Lugasweni	09	No
Nyakeni Bridge	01	No
Ezintakumbeni – Dubulweni Bridge	07	Yes
Dedeni- Mkhumeni Bridge	10	Yes
Gabelana -Diphini Bridge	10	Yes
Ntlantsana Farms Bridge & 12km Ar	10	Yes
Rhebu Ar	01	Yes
Nonyevu Ar	06	Yes

Psj Cbd Phase 1	06	Yes
Sports, Arts & Culture		
Psj Beautification		Yes
Environment		
Clean-Up Campaign		Yes
Health		
Safety And Security		

Capital Programme by Project by Ward: Year 2024/2025		
R' 000		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Sanitation/Sewerage		
Electricity		
Electrification Programme- Ngqwaleni- Ntsimbini 105	07	Yes
Electrification Programme- Tombo 115	04	Yes
Electrification Programme- Ntlanjeni 106	07	Yes
Electrification Programme- Jambeni Phase 2 106	19	Yes
Electrification Programme- Dumasi 106	05	Yes
Electrification Programme-Sobaba phase 2 105	14	Yes
Electrification Programme- Nkampini 84	06	Yes
Electrification Programme- Amadwaleni Qhoboshendlini 122	16	Yes
Electrification Programme- Swakazi 87	10	Yes
Electrification Programme- Mpantu 79	06	No
Electrification Programme- Phahlakazi 104	01	Yes
Electrification Programme-Ngxongweni 83	08	Yes
Highmast lights	04,10,13, 16, 20	Yes
Buchele 7,8 km	11	Yes
Cibati 5,5km	18	No

Goqwana 4.5 km	15	Yes
Ludalasi 6.8 km	03	Yes
Mbabalane 8.2 km	16	Yes
Mbokazi 7km	13	Yes
Community Hall Ward 14	14	No
Community Hall ward 13	13	Yes
Dumasi-Nomyezo Bridge	03	Yes
Bizana Bridges	02	Yes
Lugasweni	09	No
Nyakeni Bridge	01	No
Ezintakumbeni – Dubulweni Bridge	07	Yes
Dedeni- Mkhumeni Bridge	10	Yes
Gabelana -Diphini Bridge	10	Yes
Ntlantsana Farms Bridge & 12km AR	10	Yes
Rhebu AR	01	Yes
Nonyevu AR	06	Yes
PSJ CBD Phase 1	06	Yes
Sports, Arts & Culture		
PSJ Beautification		Yes
Environment		
Clean-up campaign		Yes
Health		
Safety and Security		

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	**Water**	**Sanitation**	**Electricity**	**Solid Waste Collection**
Schools (NAMES, LOCATIONS)				
Khwezi JSS, Ward 1	X	X		X

Mvelelo JSS, Ward 2	X	X		X
Lugasweni SPS, Ward 2	X	X		X
Zanemvula SPS, Ward 4	X	X		X
Caguba JSS, Ward 5	X	X		X
Sicambeni JSS, Ward 5	X	X		X
Xhaka JSS, Ward 11	X	X		X
Nonjonjo SPS, Ward 11	X	X		X
Clinics (NAMES, LOCATIONS)				
Ludalasi Clinic, Ward 3	X			X
Caaguba Clinic, Ward 5	X	X		X
Mantusini Clinic, Ward 7	X			X
Mtambalala Clinic, Ward 7	X		X	X
Ntafufu Clinic, Ward 12	X			X
Gqubeni Clinic, Ward 12	X			X
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.				*T P*

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	**Scale of backlogs**	**Impact of backlogs**
Clinics:	18	8
Housing:	22000	100
Licensing and Testing Centre:	1	1
Reservoirs	4	0
Schools (Primary and High):	12	2
Sports Fields:	20	1
		T Q

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 2023/24				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	**Nature of project**	**Conditions attached to funding**	**Value Year 0 R' 000**	**Total Amount committed over previous and future years**
PSJ Development agency	operational	none	R 9 339.00	R -
none	n/a	n/a	R -	R -

none	n/a	n/a	R -	R -
** Loans/Grants - whether in cash or in kind*				*T R*

OVERSIGHT REPORT

VOLUME III FINANCIAL STATEMENTS

ANNUAL FINANCIAL STATEMENTS