

Report of the auditor-general to the Free State Provincial Legislature and the council on the Dihlabeng Local Municipality

Report on the audit of the financial statements

Qualified opinion

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

Basis for qualified opinion

Payables from exchange transactions

3. I was unable to obtain sufficient appropriate audit evidence to confirm the retention on projects included in payables from exchange transactions in note 18 to the financial statements as the municipality did not have adequate systems in place to account for the retention on projects. I was unable to confirm the retention on projects included in payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the retention on projects included in payables from exchange transactions stated at R13 736 687 in note 18 to the financial statements.
4. During 2023, the municipality did not correctly account for payables from exchange transactions in accordance with GRAP 104, *Financial instruments* as the municipality incorrectly classified finance lease obligations as payables from exchange transactions. Consequently, payables from exchange transactions were overstated and finance lease obligations were understated by R2 753 280 respectively. In addition, I was unable to obtain sufficient appropriate evidence for the payable from exchange transactions due to the status of the accounting records. I was unable to confirm the payables from exchange transactions by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to payables from exchange transactions stated at R1 213 680 724 in note 18 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2023 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the payables from exchange transactions for the current period.

Investment property

5. The municipality did not account for investment properties in accordance with GRAP 16, *Investment property*. This was because the assumptions used in calculating the fair value of the investment properties were not reasonable, which resulted in differences between the fair values recorded and the recalculated amounts. I was unable to determine the full extent of the misstatement to investment property stated at R436 650 411 (2023: R440 501 211) in note 10 to the financial statements and fair value adjustments stated at R25 362 151 in note 43 to the financial statements, as it was impracticable to do so. Additionally, there was an impact on the deficit for the year and accumulated surplus.
6. During 2023, the municipality did not account for investment property in accordance with GRAP 16, *Investment property* as the municipality did not record investment properties that were under its control in the fixed asset register and the municipality also incorrectly recorded properties in the fixed asset register that they did not control. Consequently, the investment property was understated by R50 176 159 and the fair value adjustment in note 43 was also understated by the same amount. My audit opinion on the financial statements for the period ended 30 June 2023 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the investment property for the current period.

Contracted services

7. During 2023, I was unable to obtain sufficient appropriate audit evidence to confirm the contracted services as the municipality did not have adequate systems in place to account for the contracted services. I was unable to confirm the contracted services by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the contracted services stated at R94 424 496 in note 40 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2023 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the contracted services for the current period.

Commitments

8. The municipality did not account for commitments in accordance with GRAP 17, *Property, plant and equipment*. This was due to differences being identified between the commitments register and the amounts recalculated. Consequently, this resulted in the commitments disclosed in note 48 to the financial statements being understated by R13 984 824.
9. In addition, I was unable to obtain sufficient appropriate audit evidence for commitments as the municipality did not have adequate systems in place to account for commitments. I was unable to determine commitments by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to commitments stated at R775 247 913 in note 48 to the financial statements.

Context for opinion

10. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
11. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
12. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

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

Irregular expenditure

14. As disclosed in note 58 to the financial statements, irregular expenditure of R157 089 691 (2023: R168 961 085) was incurred, due to non-compliance with supply chain management (SCM) requirements.

Unauthorised expenditure

15. As disclosed in note 56 to the financial statements, unauthorised expenditure of R287 201 431 (2023: R366 737 446) was incurred, due to overspending of the budget.

Fruitless and wasteful expenditure

16. As disclosed in note 57 to the financial statements, fruitless and wasteful expenditure of R90 179 598 (2023: R79 026 300) was incurred, due to interest on late payment to suppliers.

Restatement of corresponding figures

17. As disclosed in note 51 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Material uncertainty relating to claims against the municipality

18. With reference to note 49 to the financial statements, the municipality is the defendant in various claims against the municipality. The municipality is opposing these claims. The ultimate outcome of these matters could not be determined and no provision for any liabilities that may result were made in the financial statements.

Material losses

19. As disclosed in note 39 to the financial statements, material water distribution losses of R18 231 235 (2023: R34 793 719) and electricity distribution losses of R58 199 838 (2023: R41 913 033) were incurred by the municipality, mainly due to the wires used to distribute electricity resisting the flow of current and physical water leakages from the pressurized system.

Material impairments

20. As disclosed in note 38 to the financial statements, consumer debtors from exchange and non-exchange transactions were impaired by R258 173 236 (2023: R195 802 734).

Other matters

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

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

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

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

25. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on the audit of the annual performance report

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

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

KPA	Page numbers	Purpose
Accelerated service delivery & infrastructure development	XX	To ensure access to clean, quality and sustainable water services to households, public facilities and businesses

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

30. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives.
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included.
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

31. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
32. The material findings on the reported performance information for the selected KPA are as follows:

Accelerated service delivery and infrastructure development

Various indicators

33. Measures taken to improve performance against underachieved targets were not reported in the annual performance report. Information was thus not provided to help with understanding the actions taken by the accounting officer to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Performance indicator	Planned target	Reported achievement
Electrification of slabberts 200 households connection.	Construction and budget progress at 100% completion stage	Not realised 0%
Pre-engineering of Bakernpark extension 6&7, 1 600 households connection pre engineering	Electrical eng. design stage 100%	Not realised 0%

Various indicators

34. Measures aimed at improving performance against targets were reported. However, I could not determine if the measures were actually implemented to improve performance because adequate supporting evidence was not provided for auditing. Consequently, I could not verify whether the reported measures were indeed taken.

Performance indicators	Planned targets	Reported achievements
Upgrading of Saulspoort water treatment works Section C: Mechanical, electrical and civil by 2024.	Construction and budget progress at 100% completion stage	Not realised 76% Construction 67,61% Financial progress
Quarterly reports on the work done for all sections in terms of service delivery objects and as per the Roads Management Act 2004.	1 quarterly report submitted on the implementation of the maintenance plan.	On-going routine maintenance

12 reports submitted on compliance to the landfill site licence conditions and minimum requirements for waste disposal by landfill.	3 monthly reports submitted on the daily operation, which includes receiving of waste, compacting and covering of waste as per the minimum requirements for waste disposal by landfill and licence conditions.	Realised Maintenance and operation of the landfill site was done only for 1-12 April 2024. Service provider was appointed and is onsite as from 1 June 2024.
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Various indicators

35. A comparison of the actual performance for the year against the prior year's performance was not included in the annual performance report. Consequently, the reported information is not useful for evaluating progress over time and for identifying areas of improvement.

- 12 reports submitted on compliance to the landfill site licence conditions and minimum requirements for waste disposal by landfill.
- 1 reviewed disaster risk plan and approved by council in the 2023-24 financial year.
- 4 reviewed contingency plan and approved by council in the 2023-24 financial year.

Various indicators

36. The reported achievements were not consistent with planned targets. Consequently, the indicator and their target below are not useful for measuring and reporting on progress against the municipality's planned objectives

Performance indicator	Planned target	Reported achievement
Quarterly reports on the work done for all sections in terms of service delivery objects and as per the Roads Management Act 2004.	1 quarterly report submitted on the implementation of the maintenance plan.	On-going routine maintenance
Reports submitted on compliance to the landfill site licence conditions and minimum requirements for waste disposal by landfill.	3 monthly reports submitted per quarter on the daily operation, which includes receiving of waste, compacting and covering of waste as per the Minimum requirements for waste disposal by landfill and licence conditions.	Realised Maintenance and operation of the landfill site was done only for 1-12 April 2024. Service provider was appointed and is onsite as from 1 June 2024.

Other matters

37. I draw attention to the matters below.

Achievement of planned targets

38. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.
39. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages xx to xx.

Accelerated service delivery and infrastructure development

<i>Targets achieved: 53%</i> <i>Budget spent: 90%</i>		
Key service delivery indicators not achieved	Planned target	Reported achievement
Upgrading of Caledon raw water abstraction point in Foriesburg by 2024.	Construction and budget progress at 20% completion stage	Not realised 0% Progress
Clarens/Kgubetswana: Upgrading of the water purification works from 1.1 MI to 4MI/d by 2024	Construction and budget progress at 100% completion stage	Not realised. 87% physical progress 80,5% financial progress
Upgrading of Saulspoort water treatment works Section A: raw water abstraction point by 2024.	Construction and budget progress at 100% completion stage	Construction and budget progress at 100% completion stage
Upgrading of Saulspoort water treatment works Section C: mechanical, electrical and civil by 2024.	Construction and budget progress at 100% completion stage	Not realised 76% Construction 67,61% Financial progress
Upgrading of Saulspoort water treatment works Section E: Upgrading of 40MI to 60MI/d module/plant by 2026.	Construction and budget progress at 15% completion stage	Not realised 0% progress
4 quarterly reports on the work done for all sections in terms of service delivery objects and as per the roads management act 2004.	4 quarterly report submitted on the implementation of the maintenance plan.	On-going routine maintenance

Electrification of Slabberts 200 households connection.	Construction and budget progress at 100% completion stage	Not realised 0%
Pre-engineering of Bakernpark extension 6&7, 1 600 households connection. pre-engineering	Electrical eng. design stage 100%	Not realised 0%
Maintenance of protection scheme at three main 11kV substation	Construction and budget progress at 100% completion stage	Not realised 0%
Implementation of maintenance program for all public lighting, high mast light, traffic signals with DLM.	Budget progress at 100% completion stage	22%
Installation of electricity smart/split metering within the jurisdiction of DLM	Installation of smart metering within - D LM jurisdiction 100%	Not realised 0%

Material misstatements

40. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for accelerated service delivery and infrastructure development. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

41. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
42. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
43. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
44. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statement

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

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

Expenditure management

46. Reasonable steps were not taken to prevent irregular expenditure amounting to R165 396 591 (2023: R211 183 750) as disclosed in note 58 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by SCM requirements that were not followed in the procurement process and appointment of employees without following proper recruitment processes.
47. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R90 179 598 (2023: R79 026 300) as disclosed in note 57 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on late payments to suppliers.
48. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R287 201 431 (2023: R366 737 446), as disclosed in note 56 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the budget.
49. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

Human resources management

50. Senior managers were appointed without submitting proof of previous employment prior to signing employment contracts, as required by municipal performance regulations for municipal managers and managers directly accountable to municipal managers 4(4)(b).

Strategic planning and performance management

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

Consequence management

52. Unauthorised expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.
53. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.
54. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Asset management

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

Procurement and contract management

56. Some of the quotations were accepted from bidders whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43.

57. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c).

58. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1).

59. Sufficient appropriate audit evidence could not be obtained that contracts were awarded through a competitive bidding process that were adjudicated by the bid adjudication committee as required by SCM regulations 29(1)(a) and (b) and preferential procurement regulations.

60. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM regulation 43. Similar non-compliance was also reported in the prior year.

61. Sufficient appropriate audit evidence could not be obtained that contracts were extended or modified with the approval of a properly delegated official as required by SCM regulation 5.

Other information in the annual report

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

63. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

64. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected KPA presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

65. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I

am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

66. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
67. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
68. Leadership and management did not exercise oversight over financial and performance reporting and compliance and related internal controls. Leadership also did not take effective steps to ensure that there were consequences for the poor performance and transgressions of laws and regulations, as limited steps were taken to prevent unauthorised, irregular and fruitless and wasteful expenditure during the current and prior periods.
69. Management did not develop and monitor the implementation of audit action plans to address internal control deficiencies identified in the prior year, this has resulted in repeat material misstatements.
70. Adequate information technology governance processes were not in place due to the leadership not prioritising the resources of the IT function, this in turn, resulted in the municipality's IT system not producing information reliable for audit purposes and this resulted in the identified material misstatements.
71. Management did not exercise oversight responsibility regarding reviewing and monitoring compliance with laws and regulations, and this resulted in the reported material non-compliance with laws and regulations.
72. Senior management did not implement adequate processes to ensure regular updating of schedules, adequate reviews and monitoring of action plans are in place and this resulted in the reported material misstatements on the financial statements and performance information.

73. The audit committee was not appropriately constituted, which affected the execution of its oversight roles including the review of the annual financial statements and annual performance report before submission for the audit, this has resulted in the material misstatements identified in the financial statements and annual performance report.

Auditor General

Bloemfontein

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

1. The annexure includes the following:
 - The auditor-general's responsibility for the audit
 - The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

2. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected KPA and on the municipality's compliance with selected requirements in key legislation.

Financial statements

3. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
 - conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

4. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
5. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

6. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), Sections 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), Sections 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), Sections 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), Sections 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), Regulations 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MSA: Municipal Staff Regulations	Regulations 7(1), 31
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), Regulations 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), Regulations 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), Regulations 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), Sections 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 54A(1)(a), 56(1)(a), Sections 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), Regulations 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of	Regulations 17(2), 36(1)(a)

Legislation	Sections or regulations
Employment of Senior Managers, 2014	
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Division of Revenue Act 5 of 2023	Sections 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), Regulations 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

Explanatory information and examples

General