

DANNHAUSER LOCAL MUNICIPALITY



FINAL ANNUAL REPORT JULY 2023 TO JUNE 2024

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Abbreviation

Councillor (Cllr)

Municipal Finance Management Act (MFMA)

Intergovernmental Relations (IGR)

Department Of Cooperative Governance and Traditional Affairs (COGTA)

Key Performance Indicators (KPIs)

Integrated Development Plan (IDP)

KwaZulu-Natal (KZN)

Human Resource (HR)

Municipal Systems Act (MSA)

Chief Financial Officer (CFO)

Municipal Public Account Committee (MPAC)

Public Facilities Advisory Committee (PFAC)

Auditor General (AG)

Dannhauser Local Municipality (DLM)

Statistics South Africa (Stats SA)

National Development Plan (NDP)

Provincial Index of Multiple Deprivation (PIMD)

Service Delivery Budget Implementation Plan (SDBIP)

Key Performance Areas (KPA)

Municipal Infrastructure Grant MIG

Central Business District (CBD)

Department of Forestry, Fisheries and Environmental Affairs (DFFE)

Department of Economic Development, Tourism and Environmental Affairs (EDTEA)

South African Police Service (SAPS)

Road Traffic Inspectorate (RTI)

Local Economic Development (LED)

Small, Medium and Micro Enterprises (SMMEs)

Executive Committee (EXCO)

Unauthorized, Irregular, Fruitless and Wasteful Expenditure (UIFWE)
Proportional Representative (PR)
Management Committee (MANCO)
Municipal Manager (MM)
Head of Department (HOD)
District Development Model (DDM)
Non-governmental Organizations/ Non-profit Organisations (NGOs/NPOs)
Fourth Industrial Revolution (4IR)
Supply Chain Management (SCM)
Key Performance Indicators (KPI)
National Government's Strategic Key Performance Areas (NKPAs)
Performance Management System (PMS)
Top Layer (TL)
Portfolio of Evidence (POE)
Audit Committee (AC)
Annual Performance Report (APR)
Standard Operating Procedure Manual (SOP)
Personal Protective Equipment (PPE)

Glossary

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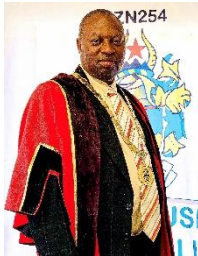
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CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1 Component A: MAYOR'S FOREWORD



Honourable Mayor

Cllr B.A Radebe

On behalf of the Dannhauser Local Municipal Council, I am honoured to present the Annual Report of the Dannhauser Local Municipality for the 2023/2024 financial year. The purpose of the report is to outline the performance for the year 2023/2024.

The mandate of the Dannhauser Municipal Council is clearly enshrined in the Constitution of the Republic of South Africa Act No. 108 of 1996 Chapter 7, and other key legislations that governs the sphere or tier of local government, thus the report is prepared in line with the relevant legislations (**MFMA**) and circulars.

The financial year under review is characterised by many unbearable challenges which has negatively affect the municipality on issues of development and service delivery overall, acting and late appointment of section 54/56 managers has significantly derail the fulfilment of the development goals and fully complied with Chapter7 of the constitution. We are committed to improve the performance of the municipality which will benefit residents of Dannhauser in particular.

Overall performance of the municipality is limited as other basic services do not fall in the scope of Dannhauser Local Municipality, whilst other services are performed by other sector departments and district municipality, it is unfortunate that we are in the forefront of our residents as nearest and closest sphere of government, and we are unable to account for such challenges. For the past financial years, we experience public protests on Mining issues, Water, Sanitation and Electrification infills demands, when we explore IGR mechanism, we fall short or frustrated.

Dannhauser Municipality Council has taken a resolution to apply for water licencing, so that it can be able to provide water for its communities.

During the 2023/2024 financial year Key Performance Indicators (KPIs) totalled **100**, total Achieved is 63, total not achieved 37 therefore the percentage of achievement is 63%. Achieving good performance has been difficult due to limited resources and capacity constraints which is caused by high vacancy rate on critical positions. With all the good programmes that the municipality has planned over the years,

performance has always left much room for improvement. In the 2023/2024 financial year, most of our targets set continued per department, enables more focus on empowering council to exercise effective oversight over the implementation of the targets.

The municipality has adopted the directives from the Constitution, the Batho Pele Principles, the Back to-Basics Campaign, Operation Sukuma Sakhe, the Municipal Systems Act 32 of 2000, Municipal Finance Management Act and other related Acts that govern local government. All Performance Management related matters have been publicly consulted with the affected communities and aligned to the Integrated Development Plan (IDP) 2023/2024) and the Budget (2023/2024).

In summary to the above, the municipality is committed to ensuring that it contributes to the strive to grow South Africa together, the development of a conducive economic and social climate that can create jobs, thereby reducing poverty and unemployment. Our performance must further reach the limelight of a top performing municipality and must be aligned to the directives of the Amajuba District Development Framework, KZN Human settlement Sector Plan, KZN Provincial Growth & Development Strategy 2035, together with other sector plans and other guiding policies and strategies.

The municipality will continue to ensure that its most valuable resource, the staff, is highly valued and supported. Trainings, personal development, career-pathing, talent management, coaching and mentoring are some of the specific interventions that will need to be enhanced, and filling of vacant posts will be prioritised as some have been advertised and undergone HR processes. It is recommendable to note the improvement in relation to our spending and expenditure patterns, but we need to do more. The ever-present excuse of lack of resources might be a legitimate one, but the key question is how effective we are using adequately the resources at our disposal.

We are committed to a positive direction as we are presenting this 2023/2024 Annual Report, challenge ahead going forward a roadmap will be developed on improving our performance and ultimately the service delivery.

.....

HON. MAYOR

CLLR B.A RADEBE

.....

DATE

1.2 Component B: EXECUTIVE SUMMARY



Municipal Manager

Mr M.S Sithole

Dannhauser Municipality is a Category B Municipality with powers and functions assigned in terms of Sections 155 and 156 of the Constitution of the Republic of South Africa. These powers and functions are exercised subject to Chapter 5 of the Municipal Structures Act, 117 of 1998 and Chapter 3 of the Local Government Municipal Systems Act, 32 of 2000.

The Municipality covers an area of 1,516 km² and consists of 13 wards. In line with the Municipal vision to achieve radical economic transformation through a financially viable municipality that delivers integrated quality basic services, the municipality has adopted a performance management system to set its performance objectives, measure and monitor its performance in line with the MSA and other related

regulations.

The municipality has, over the past consecutive years obtained Qualified Audit Opinion (2020/2021) and obtained Unqualified Audit Opinions for three consecutive years (2021/2022, 2022/2023 & 2023/2024), there is improvement as the municipality is committed to improve the situation and regular comply with all relevant legislations that governs the sphere of local government. 2023/2024 Annual Report has been compiled in accordance with the following legislative provisions.

- Section 46 of the Municipal Systems Act (MSA) 32 of 2000 and read in line with Section 121 of the Municipal Finance Management Act (MFMA) 56 of 2003.

The main accountabilities of the Accounting Officer are the six key Legislative Mandate and Key Performance Areas which includes:

- Basic Service Delivery
- Local Economic Development
- Municipal Financial Viability and Management
- Good governance and Public Participation
- Municipal Transformation and Organisational Development ; and
- Spatial and Environmental Management.

For the year under review, we do experience high turnover on the staff compliment, and it is due to change in administration, resignation, and retirement in some instances, this then affect the ability of the administration to fully functional and provide support to governance adequately. High vacancy rate in the top management structure has affected daily management of the system. For the year under review only Municipal Manager, Director Community Services and the CFO, while other positions were vacant and others were on suspension, and other positions Council appointed personnel.

The overall performance of the Municipality is 63% of the targets that were set which is exceptional compared to the previous year's overall performance, the Municipality is committed and willing to assist the community by creating job opportunities, alleviating poverty through the Expanded Public Works Programme.

I would like to express my sincere gratitude to the Political leadership, Council and oversight structures (MPAC, Portfolio Committees, and PFAC) of Council of the Dannhauser Municipality for the trust placed on me as the Accounting Officer of this Municipality, the management and staff of Dannhauser Municipality remains the driving force behind the achievements and commitments to address the existing challenges. It is with outmost respect and unwavering dedication that the Municipality remains committed in ensuring that the constitutional and legislative mandates are fulfilled.

The Municipality had successfully executed a plan for accountability and improved governance. In ensuring that the Municipality addresses the AG concerns, the Municipality developed an action plan which aimed at closely monitoring all the findings that were highlighted by the Auditor General. The action plan has been closely monitored and reported on.

MUNICIPAL MANAGER

MR M.S SITHOLE

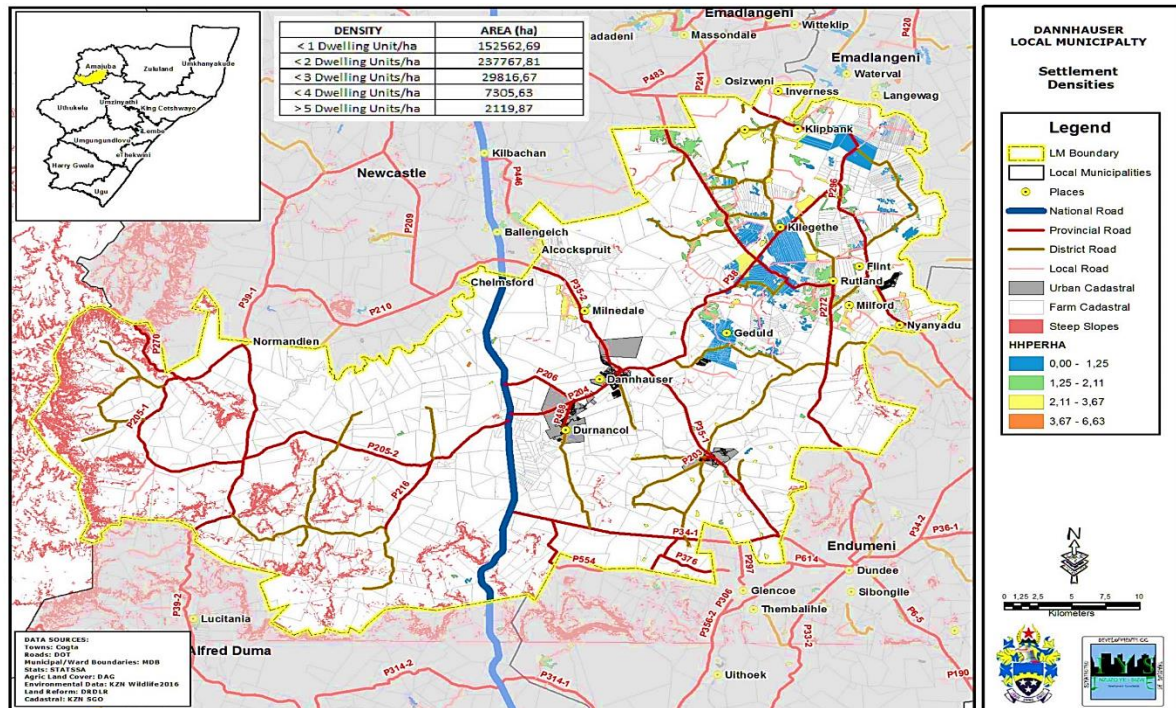
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1.3 Component C: MUNICIPAL OVERVIEW

Dannhauser Local Municipality (LM) (KZN 254) is located north in the Kwa-Zulu Natal Province in Amajuba District with Newcastle Local Municipality and Emadlangeni Local Municipality as part of its family. It is the second big municipality of three local municipalities within the district: with area coverage of approximately 1516 square kilometers. Dannhauser LM is a predominantly rural municipality and classified as a “Class B” municipality by national government. Mining towns with some residential areas were established within the jurisdiction prior to the 1980’s because of the numerous mines situated within and around the municipal area. These include Dannhauser Town, Hattingspruit, and other main towns such as Inverness, Kilegethe, Klipbank, Milford, Normandien, Nyanyadu, Rutland, Tendeka, Witteklip.

The municipality in 2023/2024 Financial Year constitutes thirteen (13) wards with a combined total of 58 settlement areas. Dannhauser Town is the main node within the municipal area and currently is surrounded by some of the largest coal producing mines in KwaZulu-Natal. The municipality is strategically positioned in a midway point along a main railway line that provides linkage between Durban and Johannesburg and is located approximately eight (8) kilometers off a national road (N11). The landscape of the local municipality is characterized by numerous rivers that flow through the municipal area, the Ngagane and uMzinyathi Rivers are amongst the largest of these rivers. The western portion of the municipality is endowed with scenic landscapes.

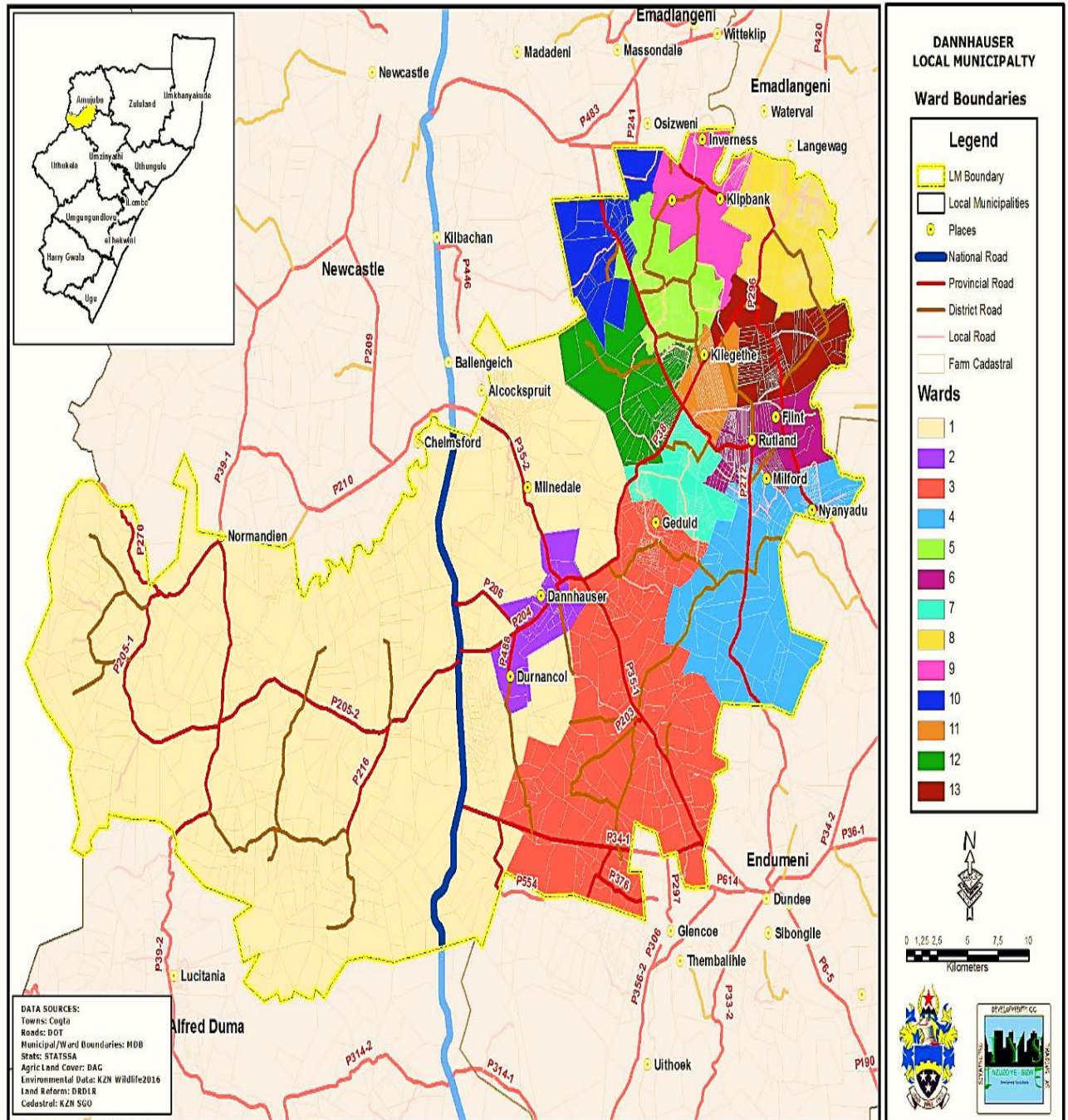
MAP 1: DANNHAUSER LOCALITY



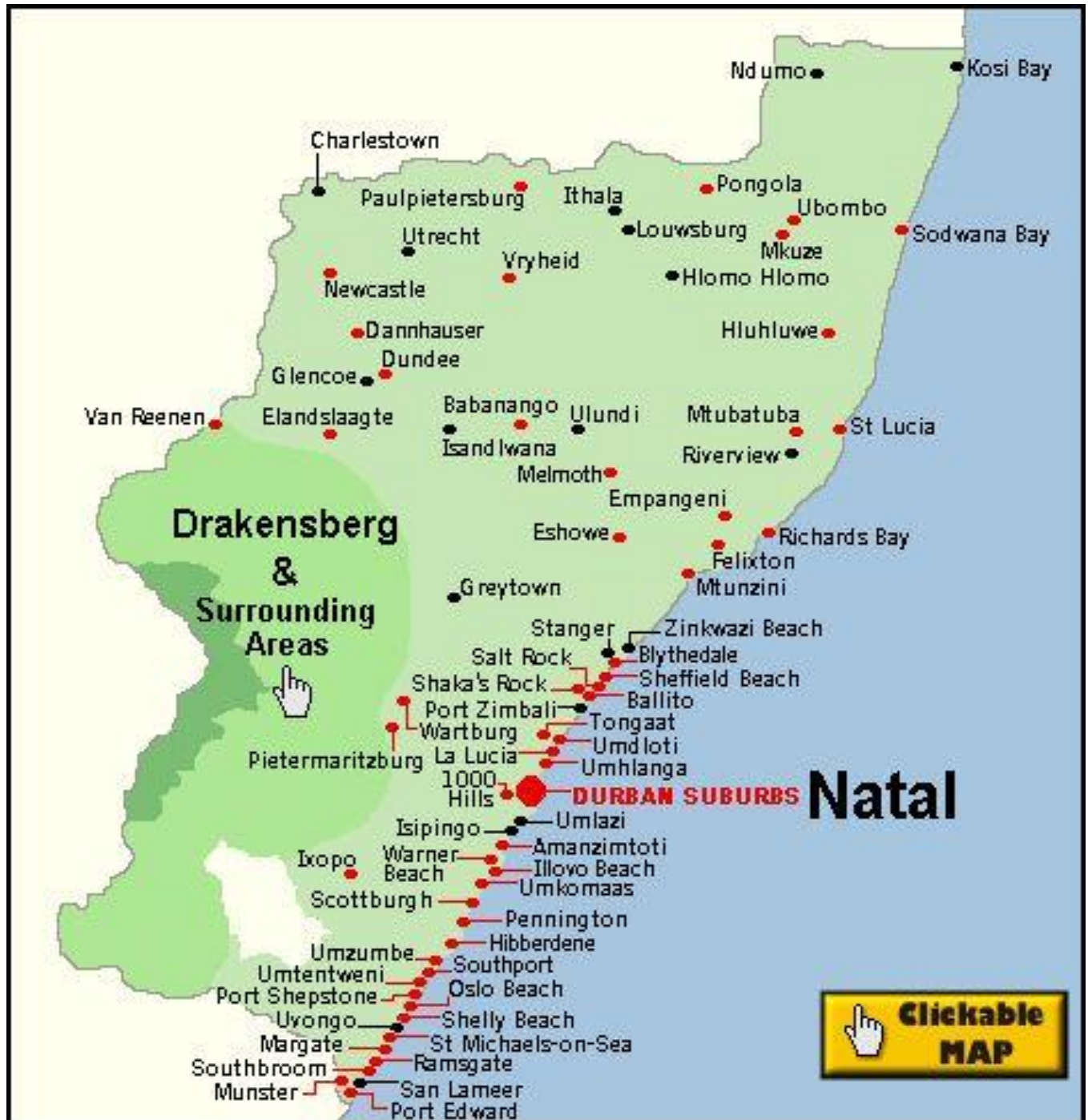
1.3.1 Wards and Traditional Authority

The north-eastern portion of the Dannhauser municipal area is largely land under the administration of traditional councils. It includes a portion of Ubuhlebonzinyathi Community Authority (that falls within Dannhauser Municipality), covering an area of approximately 13, 395 km² in extent and Nyanyadu Traditional Council area which accounts for about 1, 1190 km² of the total municipal area, the other Council Authorities are Ingwe, Emalangeneni and Gule. Municipal Wards and Tribal Authority Boundaries.

MAP 2: Amajuba District Map



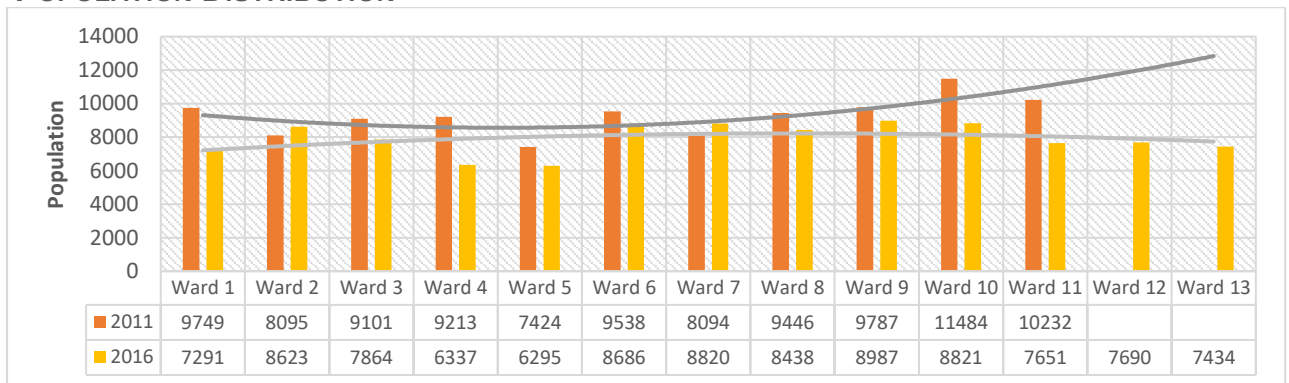
MAP 3: KwaZulu-Natal Map



1.3.2 Demographic and Economic Profile

The population of the Dannhauser Municipality was recorded at 105 341 people review in 2016 compared to a total of 102 161 in 2011. This is evident of an increase of 3 180 people between 2011 and 2017. The population is distributed unevenly among the 13 municipal wards. The population is anticipated to grow beyond this as many migrate into Dannhauser in search of job opportunities in the existing operational mining companies.

POPULATION DISTRIBUTION

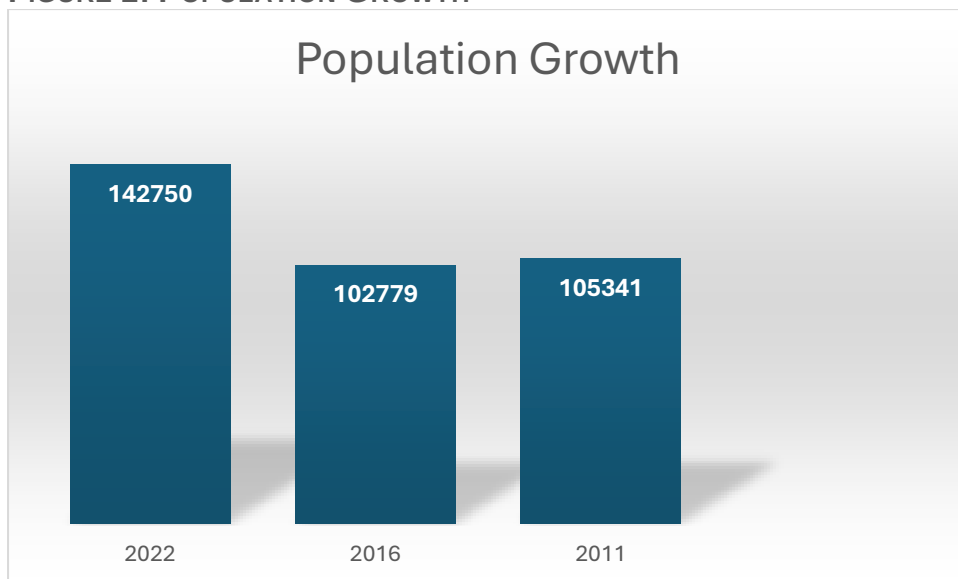


The population in the wards differed based on the addition of two wards from the initial 11 wards as at census 2011 to census 2016. Some of the population groups from the then existing 11 wards relocated into the two new wards, which are wards 12 and 13. The additional wards were based on the increase in demographics within the municipality as the population grew.

1.3.3 Population Growth / Decline

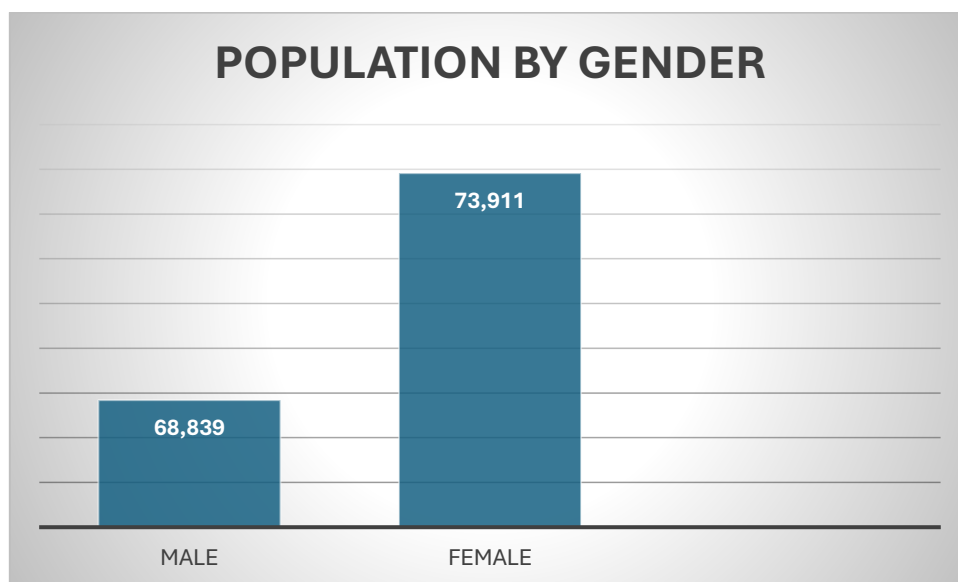
Population densities are highest in the Traditional Council areas in the north-eastern portion of the municipal area and in Dannhauser Town. The town functions as a primary node (providing commercial service facilities, agricultural industries, industrial park, public social infrastructure, economic infrastructure, and government services). The local economy is largely defined by the mining and agricultural sectors, these currently contribute to minimal employment within the jurisdiction. Residents rely on the larger urban centres of Dundee and Newcastle for employment opportunities and higher order goods and services.

The population growth within the jurisdiction can be attributed to several issues including receiving quality government services, immigration by residents moving from neighbouring areas such as Newcastle, Emadlangeni and other municipalities, increased housing development by Human Settlements, availability of land for agricultural activities, etc. If the growth rate persists, it is likely to encourage development in the area. The situation therefore warrants interventional measures that could encourage people to remain within the municipality to the municipality.

FIGURE 1: POPULATION GROWTH

(Stats SA: Census 2022)

The was increased from 2016 and 2022 in terms of gender growth. Approximately 68 839 total male population in 2022, female total population 73 911 inn 2022.



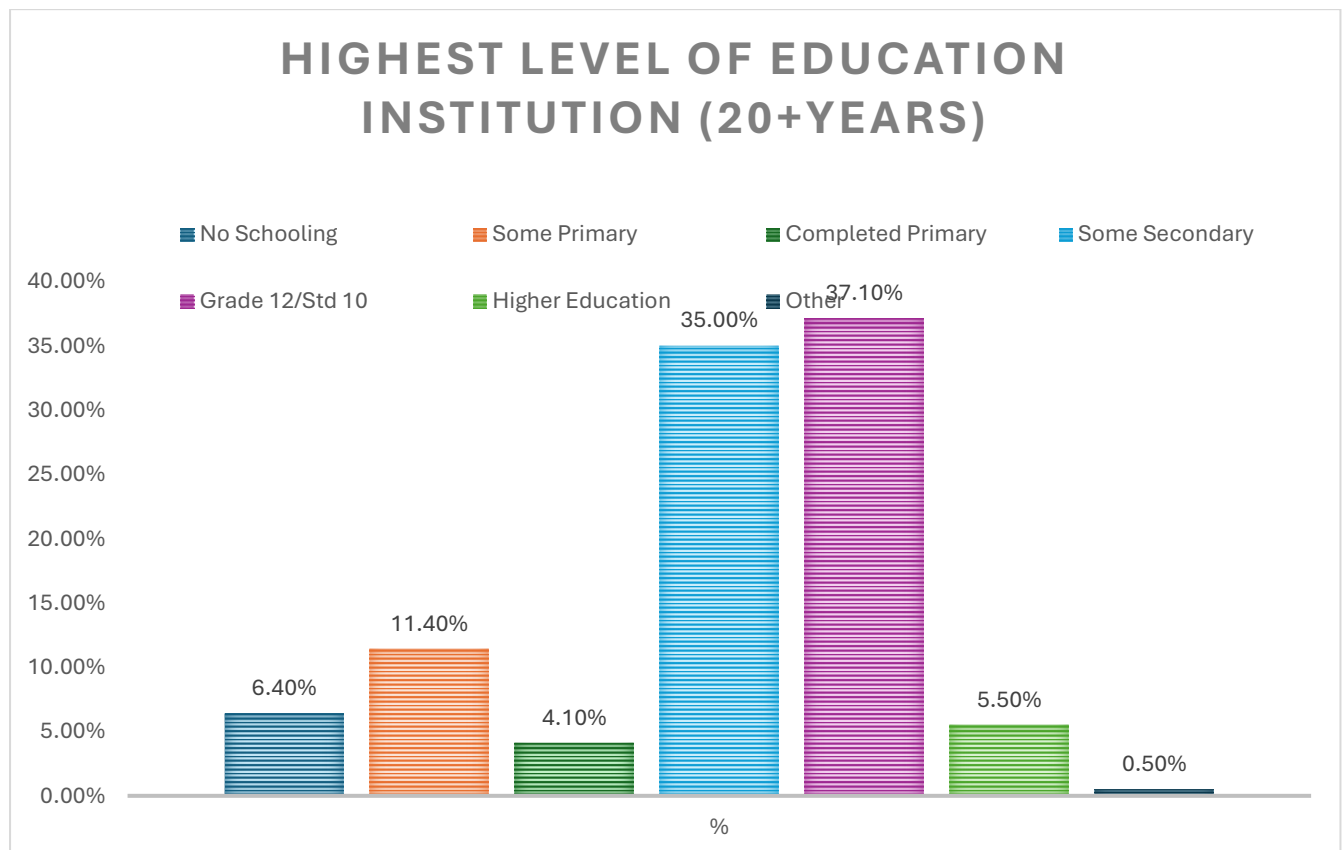
(Stats SA: Census 2022)

1.3.4 Education Level

Education plays an important role in economic development. It provides skilled labour that is key in producing goods and services in an economy. In 2016, of the total population of 105 341, only 1.9% had obtained tertiary educational attainments and only 16.4% had matriculated. People with no schooling increased to 14.7% 2011. This can be attributed to a lower level of primary school enrolment that was experienced in the municipal area in 2014-2015. Only a handful of those who finish matric pursue further studies.

If the population levels continue to rise, and education is not addressed, the jurisdiction may end up having a community that is highly uneducated thus increasing the levels of poverty and dependency. It is important to address this challenge, through development of rural education facilities and support given to children who come from highly impoverished backgrounds. The NDP 2030 points out the need to develop rural communities to attain levels as those in urban areas. There is a need to develop a program that will monitor or ensure that pupils that enrol in primary education are encouraged to complete secondary education and further their studies. Figure.3 below indicates the population levels and their levels of qualifications within Dannhauser.

Figure 2: Education Level



(Stats SA: Census 2022)

1.3.5 Multiple Deprivations Index

The KwaZulu-Natal Provincial Index of Multiple Deprivation (PIMD) (2001) identifies poverty levels per municipality at a ward level. In terms of how it was determined, the PIMD (2001) was constructed by combining the five transformed domain scores with equal weights. The five domain indices are as follows:

- ✓ Income and Material Deprivation;
- ✓ Employment Deprivation;
- ✓ Health Deprivation;
- ✓ Education Deprivation; and
- ✓ Living Environment Deprivation.

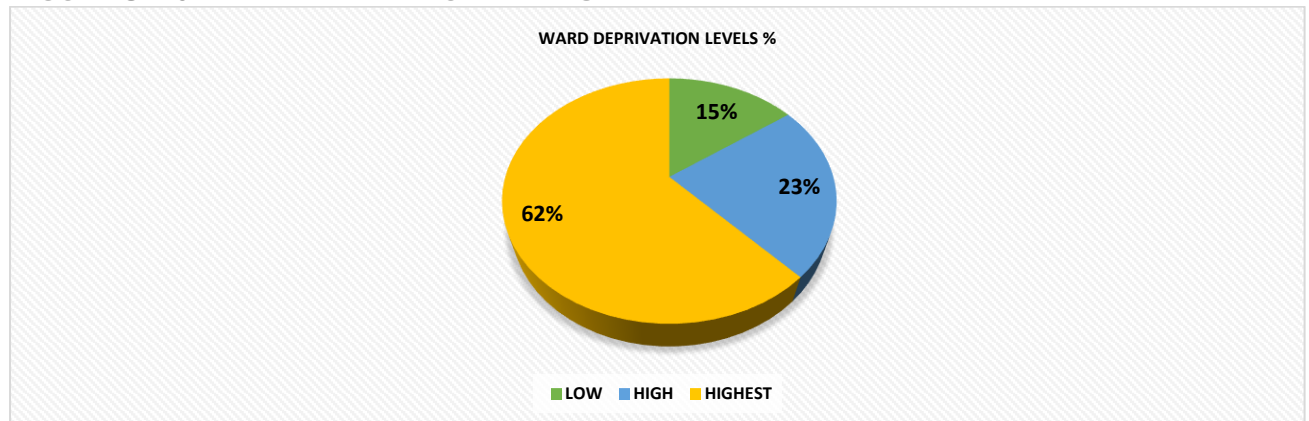
TABLE 1: MULTIPLE DEPRIVATIONS INDEX (CENSUS 2016)

WARDS	LEVEL OF DEPRIVATION
Ward 1	High
Ward 2	Low
Ward 3	Most
Ward 4	Most
Ward 5	Most
Ward 6	Most
Ward 7	High
Ward 8	Most
Ward 9	High
Ward 10	Most
Ward 11	Low
Ward 12	Most
Ward 13	Most

(The table above indicates the high levels of poverty within the municipal jurisdiction as at 2020/2021).

The figures below of the following graphs in this chapter have not changed due to that statistics from census have not been updated.

FIGURE 3: % WARD DEPRIVATION LEVELS -



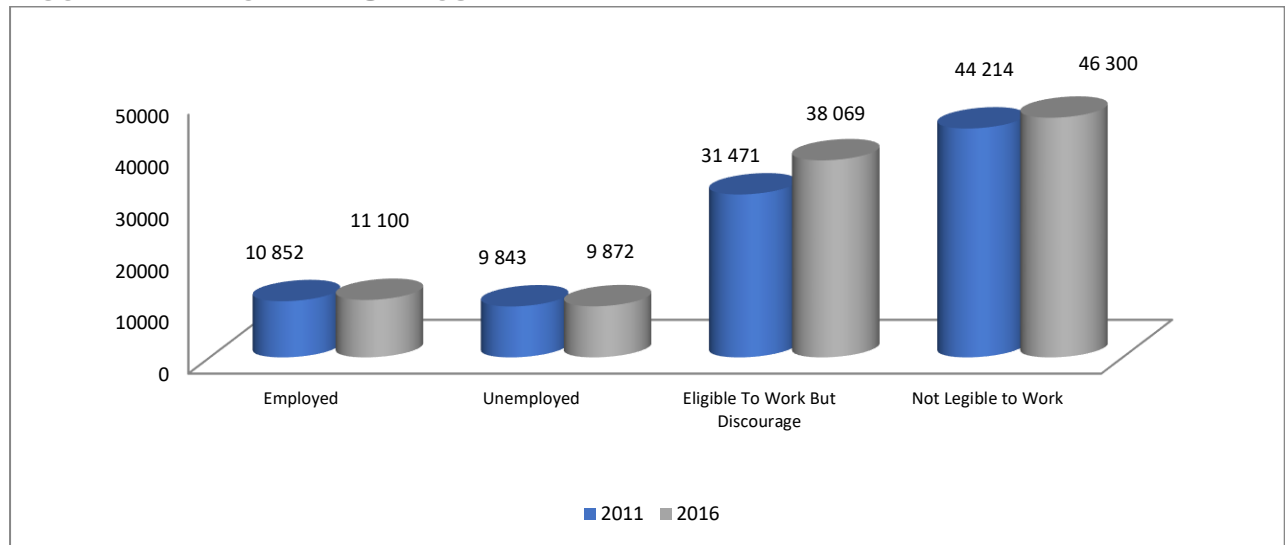
(Stats SA: Census: 2016)

1.3.6 Employment / Unemployment Rate

The municipality experienced a slight increase in the number of people employed from 2011 to 2018, this is however offset by the large numbers of people who are eligible for employment but are not employed. This can be attributed to low education levels which compromise the employability of residents within the municipality and a lack of employment opportunities due to a lack of economic activities in the municipal area. High unemployment levels pose several challenges and are associated with a number of social ills, particularly for the youth.

The results of the above circumstances prone to engage in activities such as drug abuse, crime, alcohol abuse, etc. Efforts should be made to address these challenges. The figure below indicates the employment status of the municipality; The marked slight improvement of employment has been contributed by the local economic development programmes that the municipality is engaging in with sector departments and private stakeholders.

FIGURE 4: EMPLOYMENT STATUS



1.3.7 Household Income

TABLE 2: HOUSEHOLD INCOME LEVELS

HOUSEHOLD INCOME	
INCOME BRACKET	NUMBER OF HOUSEHOLD
No Income	3 544
R1 – R 4 800	1 124
R 4 801 – R 9 600	2 142
R 9 601 – R 19 200	4 979

R 19 201 – R 38 400	4 852
R 38 401 – R 76 800	2 427
R 76 801 – R 153 600	1 022
R 153 601 – R 307 200	458
R 307 201 – R 614 400	226
R 614 401 – R 1 228 800	32
R 1 228 801 – R 2 457 600	13
R 2 457 601 or More	18
Unspecified	1
Not Applicable	5
GRAND TOTAL	20 844

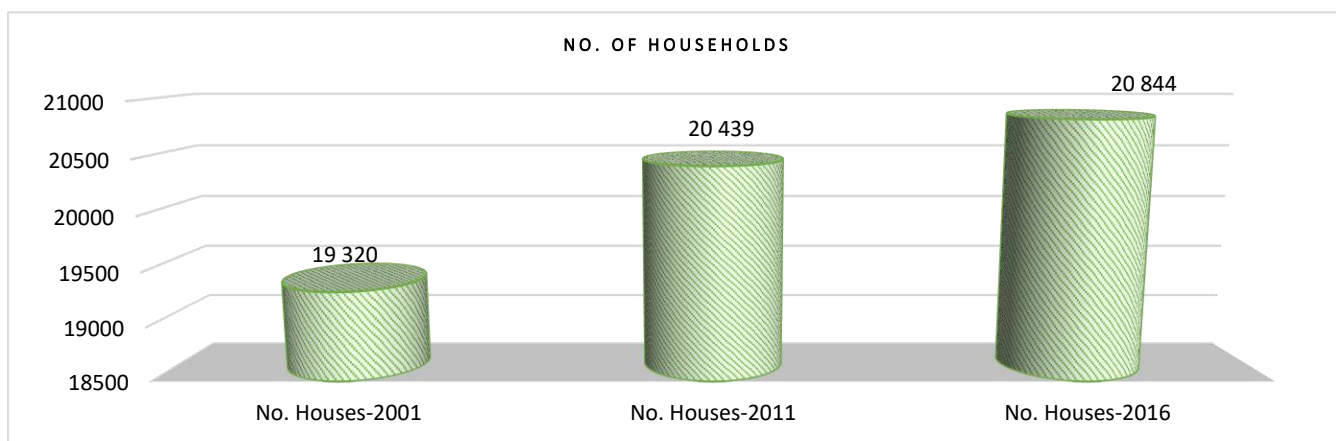
(Stats SA: Census 2016)

It is clear from the above data that there are more households living in poverty, this impacts negatively on the revenue generating stream of the municipality. It also serves as an indicator that more employment opportunities (job creating activities) must be implemented to reduce the poverty margins.

1.3.8 Current Household Status

The number of households in the municipal area slightly increased from 20 439 in 2011 to 20 844 in 2017. These households are mostly located in rural settlements and are scattered in space in an inefficient manner. These scattered households pose a great challenge in terms of providing basic services such as water, roads, electricity.

FIGURE 5: No OF HOUSEHOLDS



(Stats SA: Census 2016)

1.3.9 Vision

A trusted, and caring local municipality that promotes good governance, inclusive and sustainable development.

1.3.10 Mission

We are a united and trusted local municipality that prioritizes service delivery through co-operative governance and public participation.

CHAPTER 2: GOVERNANCE

2.1 Component A: GOVERNANCE STRUCTURES

2.1.1 Political Governance

Dannhauser Local Municipality (DLM) exists in terms of Municipal Systems Act No.32 of 2000 with its amendments. The municipality is a collective council in terms of the Constitution. Through local government elections, DLM is composed by different political Parties and the Council is chaired by the Speaker and Comprised of 25 Councilors. The municipality has political structures where councilors are spread across their proposition to serve in these structures. This includes the following:

- **Municipal Council** which is the mother body of the municipality and a decision maker structure. This structure has an authority to resolve any municipal matters, other legislative functions of the Council include approval of by-laws, policies, the Integrated Development Plan (IDP), rates and tariffs.
- **Executive Committee (EXCO)**: This committee is a sub-committee of council which is Chaired by the Honorable Mayor, and the chairpersons of portfolio committees form part thereof.
- **Municipal Public Accounts Committee (MPAC)**: Is an oversight committee of Council which its role is to investigate matters raised by Council mostly pertaining Unauthorized, Irregular, Fruitless and Wasteful Expenditure (UIFWE). DLM have this committee to ensure that its matters are investigated in manner which is transparent to their decision making comprising the write-offs.
- **Portfolio Committees**: Portfolio Committees are established in terms of Section 79 of Municipal Structure Act No. 33 (a) of 1998. The municipality consists of five (6) departments, namely:
 1. Municipal Manager Department
 2. Corporate Services
 3. Budget and Treasury Office
 4. Technical Services
 5. Community Services
 6. Planning and Local Economic Development

Portfolio Committees are spread amongst the departments in terms of monitoring and operations, Portfolio Committees meets as per schedule developed and approved by Council. Departmental reports especially service delivery and budget management all are scrutinised and review committees, and these submissions are approved by Council. Portfolio Committees are chaired by members of Council who are appointed by Council.

The municipality had one deceased councilor in the financial year 2023/2024 in May 2024. Mr SM Kunene was a PR councilor from ward 6 deployed by the African National Congress. DA replaced its councilor during the financial year of 2023/2024, Mr E.S Kunene was replaced by Miss D.M Makhaza who are both from Democratic Alliance (DA).

Table illustrating Council Election (2021-2026)

Political Party	Ward Allocation	PR Allocation	Number of seats in Council
IFP	6	2	8
ANC	6	3	9
EFF	0	3	3
TSSA	0	1	1
ABC	0	1	1
Independent	1	0	1
CPF	0	1	1
DA	0	1	1
TOTAL	13	12	25

2.1.2 Committee Allocation and Council Attendance 2023 - 2024 (JULY 2023 TO June 2024)

Name of the Member of Council	Organisation	WARD	Committees Allocated	Council Meeting in the year 2023/2024	Meetings attended	No of Absent Days
SEC KUNENE	IFP	11	EXCO, Corporate	23	21	2
S NZUZA	EFF	11	EXCO, Corporate (Chairperson), Technical (Chairperson)	23	21	2
XM NKOSI	IFP	9	MPAC	23	17	6
VG NGCANE	TSS	9	WHIPS, BTO, MPAC, Technical	23	18	5
MS MKHUMANE	ANC	1	WHIPS (Chairperson), BTO, MPAC, Technical	23	21	2
M KUNENE	ANC	2	WHIPS, Corporate	23	22	1
MS MTHEMBU	IFP	3	Development Planning & Strategic Services	23	21	2
BTD LANGA	ANC	4	EXCO, Community (Chairperson), Development Planning & Strategic Services (Chairperson)	23	22	1
MJ NKANBINDE	ANC	5	Corporate	23	22	1

DANNHAUSER LOCAL MUNICIPALITY: ANNUAL REPORT

SW NDLELA	IFP	6	Community	23	21	2
FR SIMELANE	IFP	7	WHIPS, Corporate	23	22	1
RN MADE	IFP	8	EXCO, Development Planning & Strategic Services	23	21	2
N MTHEMBU	ANC	10	Development Planning & Strategic Services	23	22	1
BA RADEBE	ANC	11	EXCO (Chairperson), BTO (Chairperson),	23	22	1
CMF MAPHISA	IFP	12	Corporate	23	19	4
BS SIKHAKHANE	IFP	13	Technical, Development Planning & Strategic Services	23	15	8
MP MATHEBULA	ANC	13	Technical	23	21	2
EN BUTHELEZI	IFP	9	MPAC, Community	23	20	3
DM MAKHAZA	DA	11	WHIPS, MPAC	23	2	0
KB KHANYE	EFF	4	BTO, Corporate, Community	23	23	0
SM KUNENE	ANC	6	COMMUNITY	23 (Deceased in May)	19	0

MT MABASO	EFF	3	WHIPS, MPAC (Chairperson)	23	22	1
SE MYAKA	CPF	6	WHIPS	23	22	1
NP KUMALO	ANC	8	BTO, MPAC, Development Planning & Strategic Services	23	21	2
RS LANGA	ABC	5	WHIPS, BTO, MPAC, Technical	23	18	5

2.1.3 Committees and Purposes of Committees

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
MPAC	The Municipal Public Accounts Committee (MPAC) has been established by Council in terms of Section 79 of the Municipal Structures Act, Act 117 of 1998. The purpose of the Committee is to perform an oversight function on behalf of the Council over the executive functionaries of the Council to the extent set out herein
Portfolio Committee	The Portfolio committee has been established by Council in terms of Section 80 of the Municipal Structures Act, Act 117 of 1998. The purpose of the Committee is to perform an oversight function on behalf of the Council over the executive functionaries of the Council to the extent set out herein
Audit Committee	The committee must review and assess the qualitative aspects of financial reporting, the municipality's processes to manage business and financial risk, governance processes and compliance with applicable legal, ethical, and regulatory requirements.
EXCO	The Executive committee is the management or principal committee of the municipality. It receives reports from other committees of council and must forward these reports together with its recommendations to the full council.

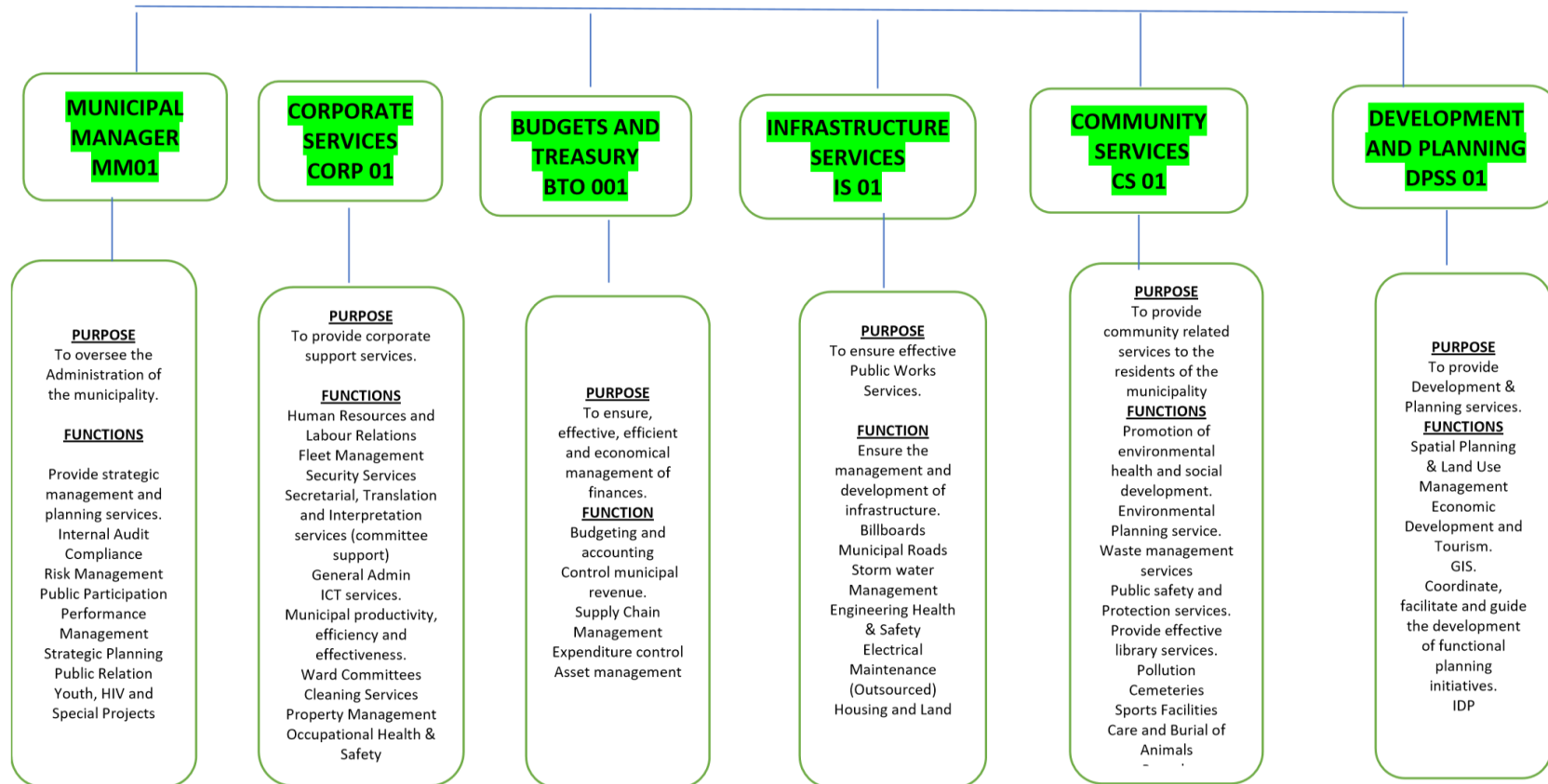
MANCO	The Management Committee carries out a vital role within the Municipality. Their role is not necessarily about doing, it is about ensuring things are done. Usually, the day-to-day management of the municipality will be delegated by the Municipal Manager.
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2.1.4 Administrative Governance Structures

Administratively, DLM is led by the Municipal Manager, Mr M.S Sithole who was appointed for on the 05 December 2023, and previously the duties of the Municipal Manager were fulfilled as per the appointment, which is in terms of Section 54 of Municipal Systems Act No.32 of 2000 and its amendments and Section 60&61 of Municipal Finance Management Act of 2003, outlines the roles and responsibilities of the Municipal manager as an Accounting Officer.

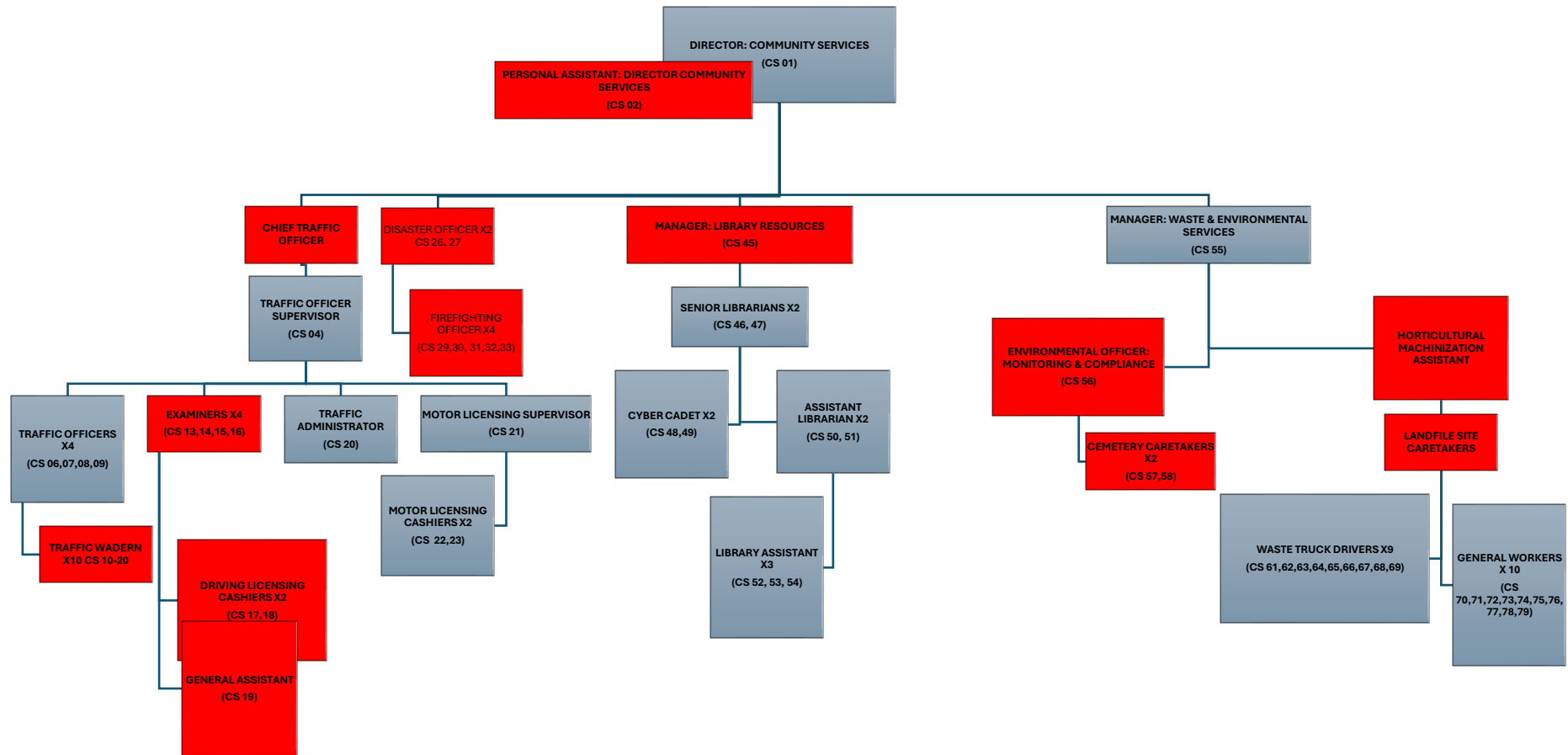
2.1.5 Third Tier Administrative Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
MM	Mr. M.S Sithole
Technical Services	Mrs L Gcabashe
Budget and Treasury Office	Mrs. D.M Mohapi
Corporate Services	Mr. S Mkhize (Acting)
Community Services	Mr. S Khumalo (Acting)
Planning & Local Economic Development	Ms S Nkabinde



NB: Approved Organogram for 2023/2024 with resolution attached below.

COMMUNITY SERVICES DEPARTMENT



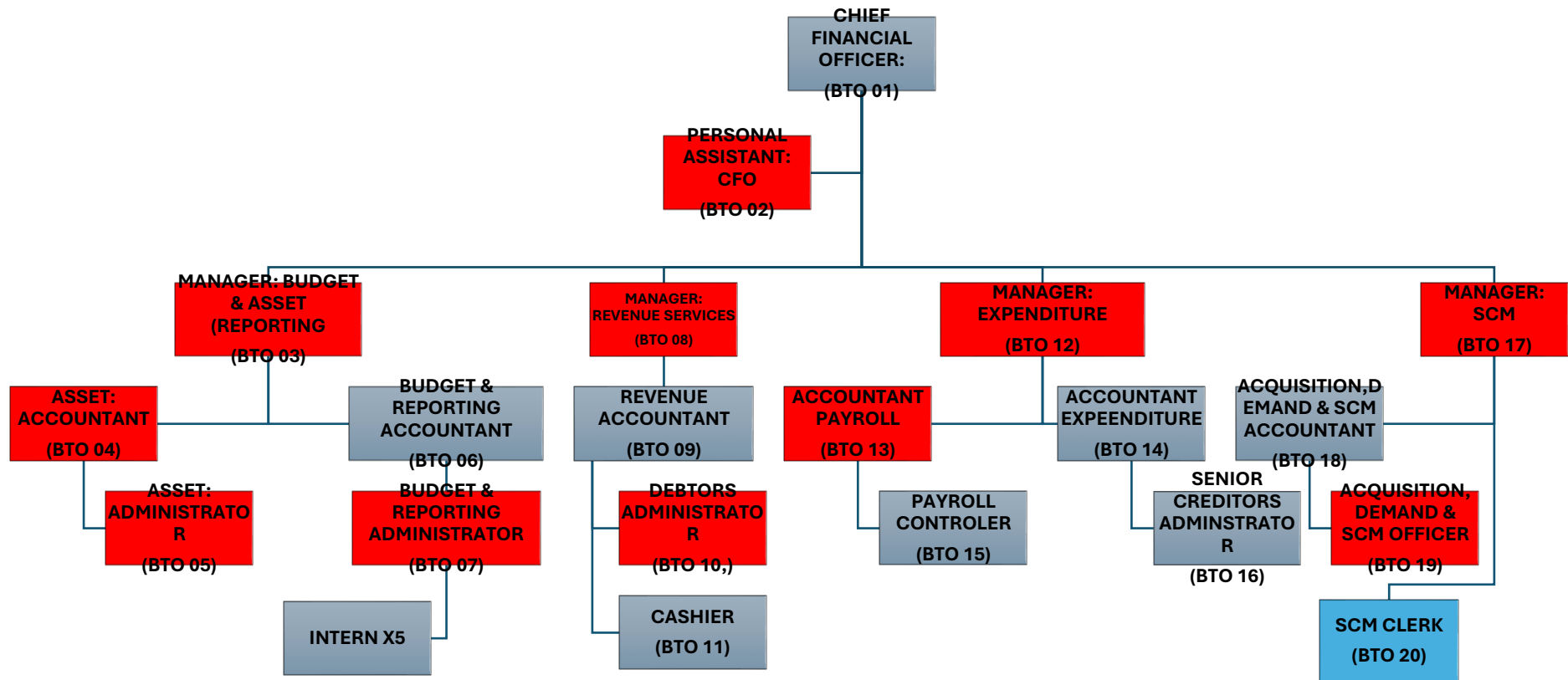
TOTAL NUMBER: 79

FILLED: 33

VACANT: 46

INTERN: 04

BUDGET & TREASURY OFFICE



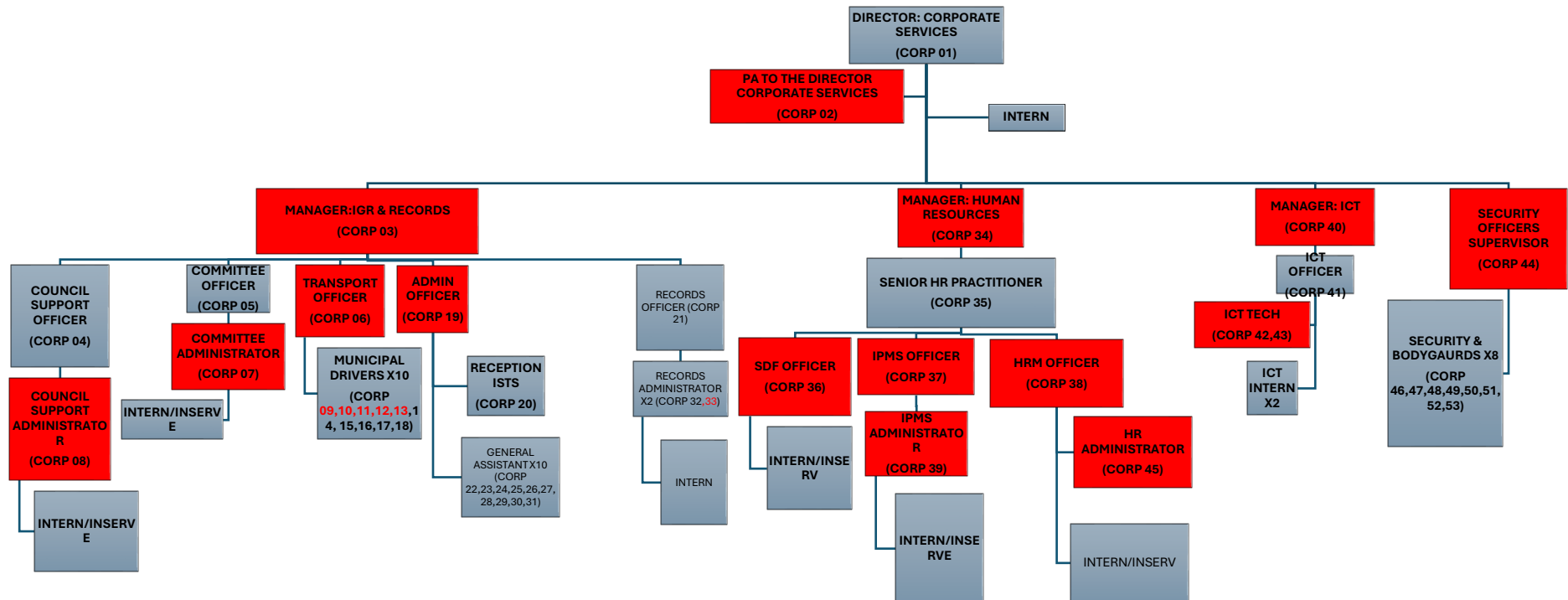
TOTAL NUMBER: 24

FILLED: 09

VACANT: 15

INTERN: 05

CORPORATE SERVICES DEPARTMENT



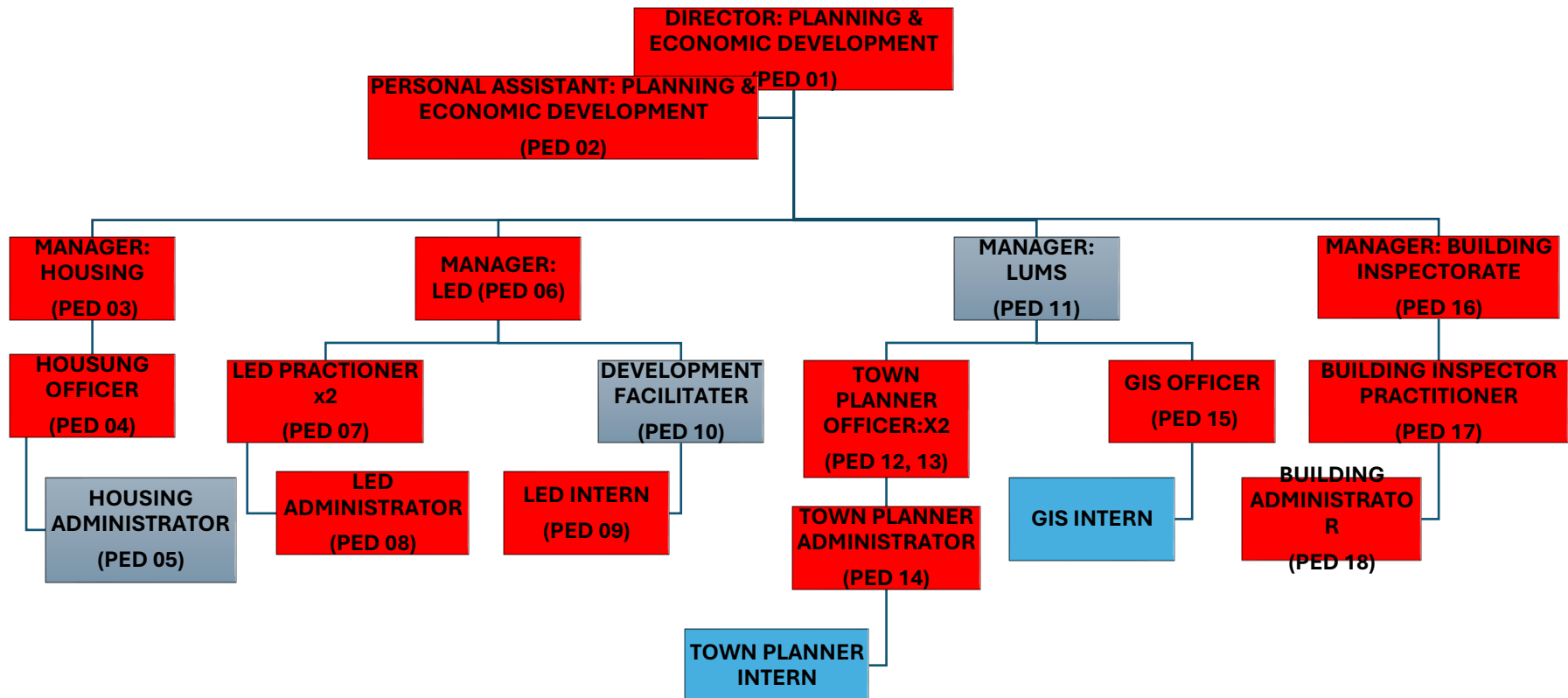
TOTAL NUMBER: 53

FILLED: 31

VACANT: 22

INTERN: 08

PLANNING & LOCAL ECONOMIC DEVELOPMENT



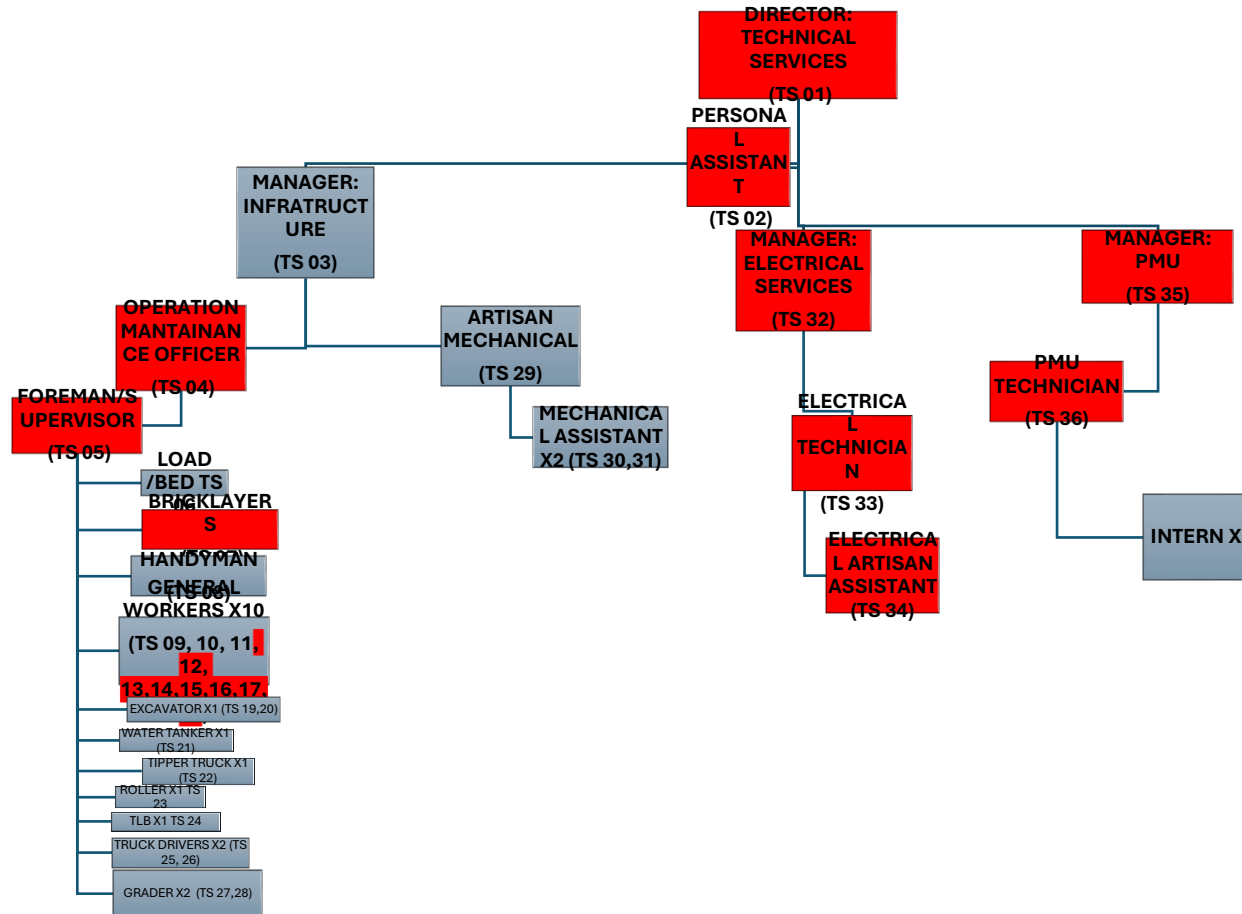
TOTAL NUMBER: 18

FILLED: 03

VACANT: 15

INTERN:02

TECHNICAL SERVICES DEPARTMENT



TOTALNUMBER: 36

FILLED: 19

VACANT: 17

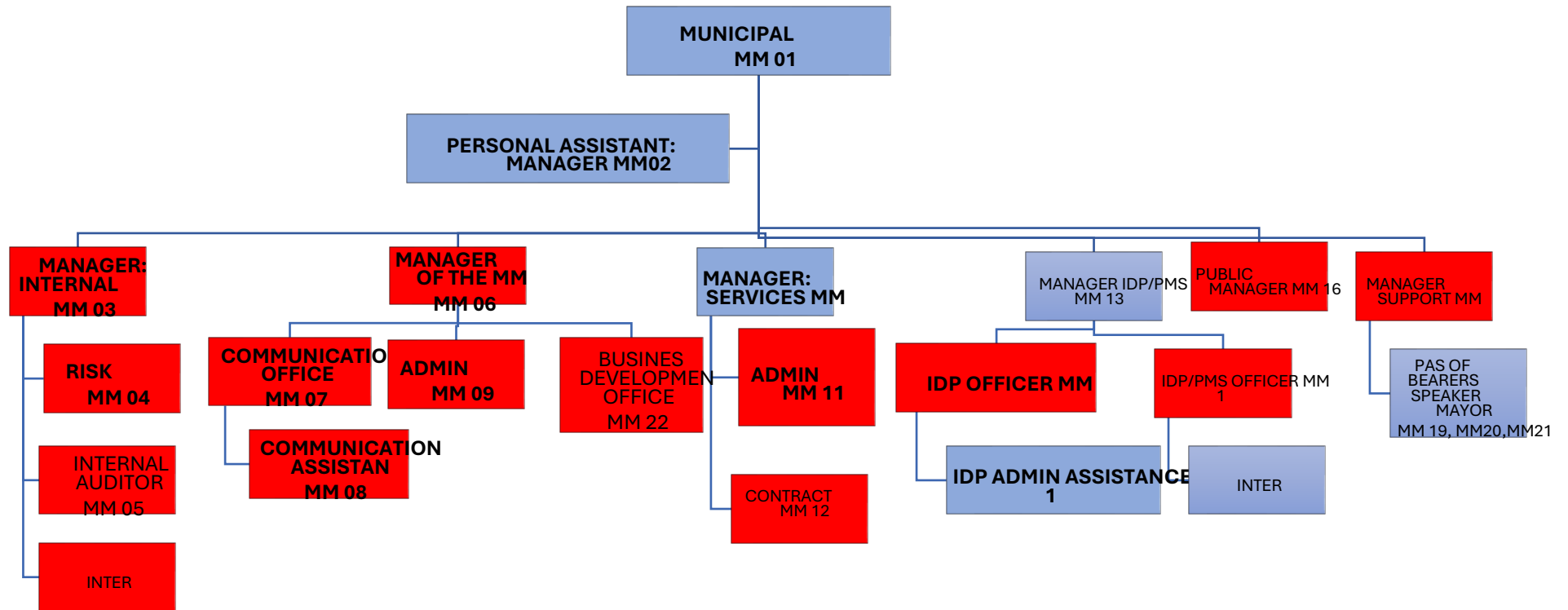
INTERN:02

OFFICE OF THE MUNICIPAL MANAGER

TOTAL NUMBER: 22

FILLED: 08

VACANT: 14



INTERN:02

The municipality approved the organogram which is in line with the IDP to maximize the operational capacity in executing duties, that seek achievement as per the set-out targets. DLM consist of six (6) departments of which one serves as an executive office (Municipal Manager) and five (5) departments are led by Senior Managers who report directly to the Municipal Manager. The departments are as follows:

Position	Status Due	Intervention
Director technical service	Vacant	Acting director, Later Appointed the Director
Director planning and Local economic development	Vacant	Acting director, Later Appointed the Director
Chief financial officer	Suspension	Acting CFO, later reinstated the CFO
Director corporate services	Vacant	Acting director, Later Appointed the Director
Municipal manager	Employed	N/A
Director community services	Resigned	Acting director, Later Appointed the Director

Dannhauser Municipality employees report to the Heads of Department (HODs) - who are Directors of different Departments. The HODs sit in Portfolio Committee meetings and discuss matters pertaining to their respective areas of operation. The relevant Portfolio Committee advises the HODs regarding solutions on how departmental programmes and projects, for service delivery to the community, should be tackled. When the issues have been analysed, the Management Committee, consisting of Municipal employees at management level, assembles and finalizes the individual Portfolio Committee's outcomes to form one report which will be tabled to Council for Resolutions.

2.2 Component B: INTERGOVERNMENTAL RELATIONS (IGR)

Amajuba District Municipality is the custodian of Intergovernmental relations where different committees are coordinated for the synergy of healthy working environment

among the district family of municipalities. DLM support the National, Provincial and District Municipality mandates as it aligns itself with all National Development Plan, Provincial Growth Development Strategy, and the District Growth Development Strategy in ensuring that all programmers undertaken are in line with government priorities. The municipality consistently report to Cooperative Governance and Traditional Affairs on matters pertaining to its functionality most particular good governance and report to treasury in terms of financial management. DLM plays a role in participating to all district forums that envisage to address community challenges and enhance service delivery. The municipality takes part to the following forums:

No	Name/ Description	Purpose	Status Quo
1.	Mayors' Forum	For governance engagement and decision making in terms of matters falling on the District Municipality, which forms part of intergovernmental relation framework principle	Not functional
2.	Municipal Manager's Forum	For governance engagement and decision making in terms of matters falling on the District Municipality, which forms part of intergovernmental relation framework principle	Not functional
3.	CFO's Forum	The purpose is to assist the CFOs with challenges in their municipalities and when there are new regulations to be implemented.	Not functional
4.	Corporate Services Forum	The forum provides engagement on the Corporate Services within the district municipality, where	Not functional

		matters are facilitated, and support provided thereof	
5.	Community Services Forum	To coordinate and align Community and Social development programs within the district. This includes Library Services, Disaster Management, Sport, Arts and Culture as well as Social Development and welfare Outreach programs. The Forum also addresses Environmental justice and Environmental compliance issues.	The Quarterly meetings have been changed to D.D.M Cluster meetings which sit monthly. The relevant Cluster is the Social Development Cluster. There is however overlap with the Justice, Economic and Governance Clusters.
6.	Technical Services Forum	Technical Services forum is the structure coordinated by the district municipality where issues falling on the service delivery for both district and local municipalities where support and intervention is recommended and provided.	Not functional
7.	Planners Forum	Align district development planning	Functional

8.	DTAC	Forum is responsible for coordination and alignment on matters of Performance Management System, where support and intervention is provided when is necessary.	Not functional
9.	Internal Auditors Forum	Forum is responsible for coordinating issues relating Internal Audit, where district municipality is coordinating the structure. It further provides support and intervention when is necessary.	Not functional

Over and above the mentioned forums, Dannhauser Local Municipality plays a fundamental role in the District Development Model (DDM) where the Mayor of District Municipality serves as the convenor of the different committees and the Municipal Manager as the coordinator for the whole district. It must be noted that this structure was initially introduced by President Cyril Matamela Ramaphosa in March 2019 with an idea to address the silo planning mentality and development of one plan, one budget in one district.

The DDM for Amajuba District Municipality, and Dannhauser Municipality is the participant or the member in terms of the district composition, and different subcommittees are not in good standing in terms of performing their roles, this is due to high vacancy rates in the district, in some instances non-participation of the respective municipalities in other committees.

2.3 Component C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Chapter 4 of Municipal Systems Act No.32 of 2000 and its amendment talks to community involvement. This chapter put emphasis on involving the public in all decision making, meaning the government must always consult the public in decision making and plan with them not for them. Dannhauser Local Municipality has consistently implemented this mandate to ensure that the services rendered to the

communities are the ones that are request by them. Through public participation, the municipality in 2023/2024 financial year was working with the elected ward committees that were elected in November 2021. Ward committees serve as a link between the community and the municipality. This structure is imperative to ensure that communication reach all corners of the municipal jurisdiction. DLM consist of 13 ward which results to 130 ward committees as each ward consist of 10. The ward meetings are therefore called and chaired by the ward councilor and minutes are kept for record.

Through IDP/Budget Process Plan that was developed and adopted by council on the 30 August 2022, the municipality has ensured that all roles and responsibilities as per the plan are undertaken by those affected bodies to ensure conducive working environment. The municipality has engaged with different stakeholder in the development and the review of the IDP and budget through IDP/Budget Representative forum. This forum is an engine in aligning sector departments programmers with those of the municipality.

DLM have also established war rooms in all wards where all sector departments, parastatals (NGOs/NPOs) and the municipality form part to address social challenges identified through community social assessment. This structure strongly assists to tackle social ills that are affecting the communities.

The municipality further communicate and involve its public through municipal website which serves as a Fourth Industrial Revolution (4IR). This assist to ensure that those who cannot access newspapers and notice board they still access the website for municipal affairs. Radio and television slots are also used to convey message on upcoming events of the municipality.

2.4 Component D: CORPORATE GOVERNANCE

2.4.1 Risk Management

Risk management is therefore recognised as an integral part of sound organisational management and is being promoted internationally and in South Africa as a good practice applicable to the public and private sector. The accounting officer and the heads of the departments are responsible for ensuring that operational activities are undertaken legally.

The Dannhauser Local Municipality guided by the risk Register and Risk Policy/Framework Assist the Municipal Manager in discharging his or her accountability for risk management by reviewing the effectiveness of the municipality's risk management systems, practices, and procedures, and providing recommendations for improvement.

The municipality has established the risk management committee to oversee risk management process. The risks that were identified have been monitored monthly throughout the year. The risk committee also considered all the risks in the risk profile of the municipality and the action plans that have been put in place to ensure that those risks do not materialise.

2.4.2 Anti- Corruption and Fraud

In terms of Section 83 (c) of the Municipal Systems Act (MSA) Act 32 of 2000, if a municipality decides to provide a municipal service through service delivery agreement with a person referred to in section 80 (1) (b), it must select the service provider through selection processes which minimize the possibility of fraud and corruption.

The Municipality has developed the following strategies to prevent fraud and corruption.

- Risk Management Policy.
- The Anti-Corruption Strategy and Fraud Prevention Plan

2.4.3 Supply Chain Management

Sections 110 – 119 of the Municipal Finance Management Act, Act 56 of 2003, Supply Chain Management (SCM) Regulations 2005 and relevant MFMA Circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money, and minimize the opportunities for fraud and corruption.

SCM Processes are being updated on an ongoing basis to ensure full compliance with the Municipal Finance Management Act (MFMA) and the Regulations issued under the MFMA. The Chief Financial Officer as well as the SCM Accountant complies with the MFMA minimum competency levels.

Approximately 90% of the officials in the SCM Unit are competent with the regulations on minimum competency levels.

SCM Policy was reviewed in line with the approval of the final budget for the year under review, was reviewed during the 2023/2024 financial year and was tabled at Council on 24 May 2024. To further strengthen controls, the policy dealing with the acceptance of grants, donations and sponsorships was again reviewed during the year under review.

2.4.4 By-Laws

MUNICIPAL BY-LAWS	STATUS
Outdoor Advertising Municipal By-Laws	Adopted and gazetted
Animal Pound By-Laws	Adopted and gazetted
Health a nuisance By-Laws	Adopted and gazetted
Cemeteries, Cremation and Undertakers Municipal By-Laws	Adopted and gazetted
Municipal Public Transport Municipal By-Laws	Adopted and gazetted
Dannhauser Spatial Planning and land use Management By-Laws	Adopted and gazetted

2.4.5 Websites

The importance of the Website is outlined in MFMA regarding documents which should be published on the Website. It is monitored by National Treasury as part of compliance. Municipal Website is updated regularly to ensure that all information required by the Municipal Finance Management Act, and other legislation are promptly and appropriately displayed on the Website.

Dannhauser Local municipality Website is one of a variety of communication tools available in the Municipality.

The Municipality did not conduct public satisfaction on municipal services in **2023/2024**, however the municipality is in a process of establishing the team to verify

the public satisfaction to ensure that this area is undertaken, and the municipality is aware of the needs of the communities.

2.4.6 Public Participation on Municipal Services

The Municipality did not conduct public satisfaction on municipal services in 2023/2024, however the municipality is in a process of establishing the team to verify the public satisfaction to ensure that this area is undertaken, and the municipality is aware of the needs of the communities.

2.6 Component F: MUNICIPAL WORKFORCE

Department	Number of incumbents
Office of the municipal manager	14
Corporate services	25
Financial services	13
Protection services	8
Engineering services	18
Community services	25
Development Planning & Strategic	3
Total number of staff	106

2.7 Component G: MANAGING MUNICIPAL WORKFORCE

Employment category	%of staff	Dominant group	% of age below age 55	Comment
Managers	15%	Of the 16 members of the management, Africans are a dominant group with all 16 managers being Black. Gender representation is presented with 10 males and 6 females. Neither whites, Indians nor coloureds are represented in the management level.	88%	Dannhauser LM has a fairly young management, has a fair representation of gender groups and a fair representation of dominant population groups in the area.
Professionals	28%	African females are dominant followed by African males with no whites, and Coloureds.	97%	The Dannhauser local municipality professionals are a true reflection of the demographics of the area in that females dominate, and blacks also dominate.
Technicians and trade workers	3%	African males are dominant followed by 01 Indian, and no	67%	New targets should be placed on increasing the females in this category. The staff is fairly young

		coloureds, and Whites.		but not reflective of other race groups found in area.
Clerical support workers	9%	African females are dominant followed by African males. There is no representation for whites, Indians and coloureds.	100%	The Dannhauser local municipality clerical support workers are a true reflection of the demographics of the area in that females dominate, and blacks also dominate.
Sales and service workers	1%	African females are represented with no Indians, coloureds, and whites.	100%	This is one category that is fairly represented in terms of age, and inclusion of an Indian population groups would be good.
Machine operators and drivers	14%	African males are dominant. There are no coloureds, whites and Indians and no females at all	60%	New targets should be placed to increase the number of young people as well as females in this category.
Elementary workers	19%	African males are dominant followed by African females. There are no Indians, Whites, and coloureds.	32%	New targets should be placed to increase the number of young people as well as females in this category.

2.8 Component H: CAPACITATING MUNICIPAL WORKFORCE

HR Policies and Plans			
#	Name of Policy	Completed %	Date adopted by council or comment on failure to adopt
1	Code of Conduct	Currently being implemented	2022/2023
2	Sexual Harassment Policy	Currently being implemented	2022/2023
3	Recruitment and Selection Policy	Currently being implemented	2022/2023

4	Subsistence and Travelling Allowance Policy	Currently being implemented	2022/2023
5	Payroll Policy	Currently being implemented	2022/2023
7	Fleet Vehicle Policy	Currently being implemented	2022/2023
8	Supply Chain Management Policy	Currently being implemented	2022/2023
9	Employment Equity Policy	Currently being implemented	2022/2023
10	Property Rates Policy	Not implemented	Not developed yet, still to be developed in 2024/2025
11	Indigent Policy	Currently being implemented	2022/2023
12	Training And Development Policy	Implemented	2022/2023
13	Municipal Training and Study Assistant Policy	Not implemented	developed yet to be adopted in 2024/2025
14	Occupational Health and Safety Policy	Not implemented	developed yet to be adopted in 2024/2025
15	Staff Placement Policy	Implemented	Adopted but to be reviewed in 2024/2025
16	Skills Retention Policy	Implemented	Adopted but to be reviewed in the 2024/2025
17	Leave Management Policy	Implemented	2022/2023
18	Employee Induction Policy	Implemented	2022/2023
19	Occupational Health and Safety Act	To be implemented in 2024/2025	To be adopted in 2024/2025

20	Termination Of Service Policy	Implemented	2022/2023
21	Condolatory Policy	Implemented	Adopted but to be reviewed in the 2024/2025
22	Resignation Policy	Implemented	Adopted but to be reviewed in the 2024/2025
23	Employees Code of Ethics	Implemented	Adopted but to be reviewed in the 2024/2025
24	Acting Allowance Policy	Not implemented	developed but to be adopted in 2024/2025
25	Employee Assistant Programme Policy	Implemented	Adopted but to be reviewed in the 2024/2025
26	Succession Planning and Carrer Pathing Policy	Implemented	Adopted but to be reviewed in the 2024/2025
27	IPMS Policy	Not implemented	developed but to be adopted in 2024/2025

2.9 Component I: INJURIES AND SICKNESS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken Days	Employees using injury leave No.	Proportion employees using sick leave %	Average Injury Leave per employee Days	Total Estimated Cost R'000
Required basic medical attention only	0	0	0	0	0
Temporary total disablement	0	0	0	0	0
Total	0	0	0	0	0

2.10 Component J: SUSPENSIONS

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspensions	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Human Resource Officer	Miss Carol Mahlangu had a disciplinary Hearing She was charged with 3 counts of misconduct. She then made written representation subsequently the matter was withdrawn.	29 August 2023	Re-instated	
Former Manager in the office of the mayor	Miss Purity was charged with 5 counts of misconduct and the matter was set down for hearing on the 19 September 2023 and she was found guilty and dismissed and the matter was finalized.	23 August 2023	Dismissed	
	Miss Ayanda Buthelezi was charged with Three (3) counts of misconduct; she was therefore suspended pending the Disciplinary outcome, while on suspension she violated her suspension conditions she was then dismissed. She took the municipality	29 August 2023	Terminated	

	to the Bargaining Council alleging that she was unfairly dismissed. The matter was set down for a hearing on the 5th of April 2024. Matter proceeded and postponed to the 4 & 5 June 2024 for further evidence. On the 5th the applicant filed a sick note however we objected to a further Postponement. The matter was dismissed			
Chief Finance Officer (CFO)	Mrs. D Mohapi was placed on precautionary suspension and was further subjected to a hearing. The Chairperson issued a verdict of Guilty with a recommendation that she be dismissed, however a council took a resolution not to implement the hearings outcome and reinstated Mrs. D Mohapi, on the basis that a proper procedure was not followed in her disciplinary.		Re-instated	

CHAPTER 3: PERFORMANCE HIGHLIGHTS

3.1 Component A: SERVICE DELIVERY

This chapter considers municipal performance that are derived from the IDP, provision of sufficient, affordable, and quality basic services is considered a core function of Local governments, the Dannhauser Local Municipality provides the following services for its community: electricity infills; water and sanitation; waste removal/ management; infrastructure provision and maintenance and environmental management.

Dannhauser Local Municipality uses scorecard that is aligned with the SDBIP to manage performance of different functions. 2023/2024 was a very challenging year for the municipality as there was a change in Administration and election. The municipality had to adjust in changes whilst ensuring that services are delivered to the community as it is our duty to ensure that the Batho Pele principles are met. The overall score for the KPA on a year -on-year basis expressed as a percentage of %. The Basic Service Delivery initiatives that the municipality offers includes:

3.1.1 Electricity Infrastructure

For the year under review (2023/2024) the projects for provision of electricity infrastructure were implemented in the following Wards, Ward 3, 4, 8 and 12, the project funding was limited due to limited revenue and high rates of unemployment, whilst the demand for electricity eradication is high. The municipality is not a licensed authority for electrification it is a responsibility of ESKOM, which the municipality provides infrastructure and then transferred to ESKOM. Also, under the financial year 2023/2024 there was an initiate Project Management for the Provision of the electricity infrastructure to households of the following wards (1, 2, 5, 6, 7, 9, 10, 11, 13), the municipality managed to appoint service provider and submit application for funding in the department of energy.

3.1.2 Mast Lights

As part of ensuring that the community is safer the municipality is determined to provide public light projects where Mast Lights will provide at the following Wards: (6, 7, 8, 10 & 13). The municipality has managed to complete the SCM process, and the service provider is expected to start the project. The municipality is owning this infrastructure, and it is maintained through maintenance.

3.1.3 Water and Sanitation

Amajuba District Municipality is the Water services Authority over Dannhauser Local Municipality, whereby this Water Services Authority was empowered to perform the functions and exercise the powers referred to in Section 84(1) (b) & (d) of the Municipal Structures Act (117 of 1998) which provides for the provision of potable water supply and domestic wastewater & sewage disposal systems sanitation systems. In terms of Section 11 of the Water Services Act (108 of 1997), every Water Services Authority is obligated to ensure the adequate sustainable access to water and sanitation to all

consumers within their area of jurisdiction. The authority of the District Municipality is further enshrined in the Constitution 108 of 1996, Section 156 & 229, and read in line with the Municipal Structures Act (117 of 1998) section (83) (3).

Dannhauser Local Municipality integrates with the District Municipality through the Intergovernmental Relations Act, through the obligations to be fulfilled by the District in the Structures Act, Section (83)(3) (a) to (d), but Dannhauser has no authority to undertake any implementation of water & liquid sanitation services to households, businesses, and the rest of the community. All licensing of water and liquid sanitation related activities for Dannhauser are undertaken by the district.

Dannhauser Municipality is in a process of applying for water licence in Regional Office of the Department of Water and Sanitation, so that it can be able to provide water for its communities and be independent from Amajuba district for provision of water.

3.1.4 Waste Removal/Management

The municipality provides waste removal service in ward 1, 2, 3 & 7. This service is further extended to the small holdings' areas around Dannhauser, which mainly Mdakane area, and other surrounding areas. This service is also being provided to indigent households around the municipality, as stated in the indigent policy. The waste removal is paid by those who are the customers as per debtors registered data base.

3.1.5 Infrastructure Provision and Maintenance

The municipality is committed to provide infrastructure as part of basic services provision and budget for maintenance at an annual basis. For the year under review

Rural Roads

The provision of the rural roads is the primary responsibility of the local municipality depending on the description of the roads, the funding also determines the funding part. Some roads were falling under maintenance, that part was covered under maintenance vote though the funding was limited. For the year under review the Roads were constructed at Ward 1,3,4,7 and 13 through MIG Funding. All the constructed roads under year review are access/gravel roads.

Public Amenities

The following Public Amenities were constructed and is still under construction:

Description	Purpose	Wards	Status	Reasons
Community Hall	Public Gathering,	9	Not Completed	Poor Performance

	and Social Activities			from service provider
Community Hall	Public Gathering, and Social Activities	10	Completed	None

3.1.6 Environmental Management

Environmental and Spatial Management is key performance area that deals with issues spatial planning, environmental management as well as disaster management. 8 Targets were set out for this financial year and in keeping with its constitutional mandate, section 24 of the Bill of Rights, 'Everyone has the right- to an environment that is not harmful to their health or well-being and to have an environment protected for the benefit of present and future generations through reasonable legislative and other measures that:

- a). Prevent pollution and ecological degradation,
- b) Promote conservation and secure ecological sustainable development and the use of natural resources while promoting justifiable economic and social development. In meeting the above mandates, the following is the weekly schedule for Refuse Removal:

- Monday: Dannhauser CBD, and Business as well as KwaMdakane Taxi Rank.
- Tuesday: Hattingspruit.
- Wednesday: Durnacol.
- Thursday: Dannhauser Residential.
- Friday: Emafusini and Koppie Allen.

The waste collection backlog services that still exist especially in rural areas has caused the municipality to extend waste collection services to areas such as KwaMdakane and Koppie Allen, though some of the communities around these areas are still not serviced. The delay in waste collection due to vehicle breakdown sometimes which result in waste being dumped illegally, all that has been noted. Community services has also successfully secured a specialised vehicle for waste

management from the national Department of Forestry, Fisheries and Environmental Affairs (DFFE).

Responding on the constitutional mandate to raise environmental education and awareness. The municipality in the financial year 2023/2024 conducted a clean-up campaign in Dannhauser town ward 2, KwaMdakane ward 7, 11 and 12, and Koppie Allen ward (KwaShongwe) ward 4, the clean-up campaign the municipality was conducting it in partnership with EDTEA.

The community was cautioned about the anticipated Disaster incidents that are likely to happen during summer season. Then the municipality community services department conducted meetings with the communities to teach them on new ways to prevent or protect themselves from those incidents.

The schedule for gardening and greening maintenance including sport grounds, and cemeteries are as follows:

- Monday: Dannhauser (Newton and White City).
- Tuesday: Dannhauser (South Park and Emafusini)
- Wednesday: Durnacol
- Thursday: Hattingspruit.
- Friday: Dannhauser- CBD, Cemeteries and Sports fields.

Landfill Site Cell: The topographical survey and geotechnical surveys have been complete, and the new cell is to be complete. The latter is necessary for efficient and effective waste management, as the cell is full. The Animal Pound Services are ongoing in partnership with SAPS, RTI and the community in general. The Department has successfully acquired land from Exxaro for a new cemetery at No 2 Durnacol, all studies have been complete, and cemetery is ready for use after fencing and road access is completed.

3.1.7 Housing

Housing or Human settlement function is not the primary responsibility of the Dannhauser Municipality; however, the municipality is responsible for coordinating and monitor implementation of the housing projects in consultation with the Department of Human Settlement in the province. For the year under review the following projects were implemented and still under implementation:

PROJECT NAME	DESCRIPTION	WARD	IMPLEMENTING AGENT TO 30 JUNE 2022	HOUSES COMPLETED
Ubuhle bomzinyathi Housing Projects Phase 2	CONSTRUCTION OF 300 HOUSES FOR PERIOD OF 36 MONTHS	9 & 10	NTOKOZWENI DEVELOPERS	298
Ubuhle bomzinyathi Housing Project Phase 2	CONSTRUCTION OF 300 HOUSES	9	MASEKO HLONGWA & ASSOCIATES	Construction stage
Ubuhle bomzinyathi Housing Project Phase 1, Philip farm Rural Housing Project Ward 11 & 13, Implementing Agent is Ziqoqe Construction.	CONSTRUCTION OF 300 HOUSES	11 & 13	ZIQOQE	300
Dannhauser Housing Project Ward 2, Implementing Agent is Stedone Development.	CONSTRUCTION OF 500 HOUSES	2	STEDONE DEVELOPMENT	500, CURRENTLY CONSTRUCTING BULK SERVICES
Stein Drive-Inn Housing Project, Ward 3 Informal Settlement Upgrade, Implementing Agent is Siyakhula Civils	CONSTRUCTION OF 500 HOUSES, CURRENT WITH PLANNING	3	SIYAKHULA CIVILS	0, PLANNING PHASE
Strijbank Retification Project, Ward 3 Housing Retification Project, Implementing Agent appointment	RETIFICATION OF 247 HOUSES STILL IN PLANNING PHASE	3	Akwande Civils	0, PLANNING PHASE

Department is currently under capacitated, and additional staff be priorities going forward. With the appointment of the Director Planning and Economic Development the performance will improve in terms of the execution of such projects.

3.1.8 Free Basic Services and Indigent Support

The municipality implements the provision of the free basic services for the Waste removal which is mainly in the urban node (Dannhauser town and surroundings, South Park, Newtown, Emafusini Township, Durnacol Village, Hattingspruit & KwaMdakane). The service is implemented through registered debtors, and which has the categories for indigent. The beneficiaries for registered indigent are 152. The municipality also provides free basic services on electricity, which is primarily the responsibility of ESKOM, a total number of 152 registered beneficiaries were approved for the year under review, and 19 beneficiaries were disqualified during the year.

3.1.9 Local Economic Development

Local Economic Development's main objective is to promote economic growth and local economies in partnership with key stakeholders and through aligning LED Initiatives with government programmes.

The municipality assists the Dannhauser community through this Local Economic Development office with the following:

- Business licence compliance certificate
- Business start-up / business development
- Business monitoring and evaluation
- Production of trading permits.

Small, Medium and Micro Enterprises (SMMEs)

The municipality assists SMMEs by creating opportunities for their developments through the following intervention:

- LED Databa

CHAPTER 4: FUNCTIONAL AREA SERVICE DELIVERY REPORTING

4.1 Component A: ORGANISATIONAL PERFORMANCE

4.1.1 Background

This report covers the performance information from 01 July 2023 to 30 June 2024 and focuses on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review. This report reflects the actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2023/2024 fiscal year.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area (KPA). Each KPA has several focus areas which had been deliberately designed by the Dannhauser Municipality to focus its development initiatives on an attempt to achieve the desired future as enshrined in the IDP.

This report is structured to present to Council with regards to Municipality's performance in terms of the six (6) National Government's Strategic Key Performance Areas (NKPAs) or Developmental priorities for local government, which are:

- 1) Municipal Transformation & Institutional Development
- 2) Basic Service Delivery
- 3) Local Economic Development
- 4) Good Governance and Public Participation
- 5) Cross Cutting
- 6) Municipal Financial Viability and Management

The report emanates from the Municipal organizational scorecard and performance is measured based on the targets set and agreed upon at the beginning of the financial year.

4.1.2 Legislative Requirements

Outlined in Section 40 of the Municipal Systems Act of 2000 (MSA), Municipalities must establish mechanisms to monitor and review its Performance Management System (PMS) to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels.

Section 41(1) of the Municipal Systems Act of 2000 (MSA) states that:

A municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed –

- a. set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its integrated development plan;*
- b. set measurable performance targets with regard to each of those development priorities and objectives;*
- c. with regard to each of those development priorities and objectives and against the key performance indicators and targets set in terms of paragraphs (a) and (b) –*
 - (i) monitor performance; and*
 - (ii) measure and review performance at least once per year;*
- d. take steps to improve performance with regard to those development priorities and objectives where performance targets are not met; and*
- e. establish a process of regular reporting to –*
 - (i) the council, other political structures, political office bearers and staff of the municipality; and*
 - (ii) the public and appropriate organs of state.*

The Municipal Planning and Performance Management Regulations (2001) stipulates that a “municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players” (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

This Annual Performance Report has been compiled in compliance with the requirements of section 46(1) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000) which stipulates as follows:

A municipality must prepare for each financial year a performance report reflecting –

- a. The performance of the municipality and of each external service provider during the financial year.*

- b. A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and*
- c. Measure taken to improve performance.*

The above legislation shows that Performance management is not only applicable to the organisation, but also to the external service providers whose performance must be assessed.

4.1.3 The Performance Management System (PMS) Overview and Process

Performance Management Overview

To improve on performance planning, implementation, measurement and reporting, the Municipality implemented the following actions: Departmental Scorecards (operational plans) were developed for monitoring and reporting operational programmes; these emanate from the performance plans signed by HODs at the beginning of the financial year.

A manual performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the HODs i.e., S.56 Managers reporting directly to Municipal Manager. The Municipality endeavoured during the development of the Top Layer Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental scorecards that inform the SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making them measurable.

The Dannhauser Integrated Development Plan (IDP) was reviewed in the financial year 2023/2024 as the strategic document that informs all operations at a Municipal level, as per Municipal Systems Act 32 of 2000 in terms of Sections 28 and 32. Dannhauser IDP has been reviewed for 2023/2024 and adopted by Council. It remains the primary document that informs all plans of the Municipality. The IDP review process facilitates the process of monitoring, reviewing, and reporting on the performance indicators and provides for an opportunity for public participation in line with the IDP structures.

The process of managing performance at organisational level in the Dannhauser Municipality involves the stages as set out in the following diagram.

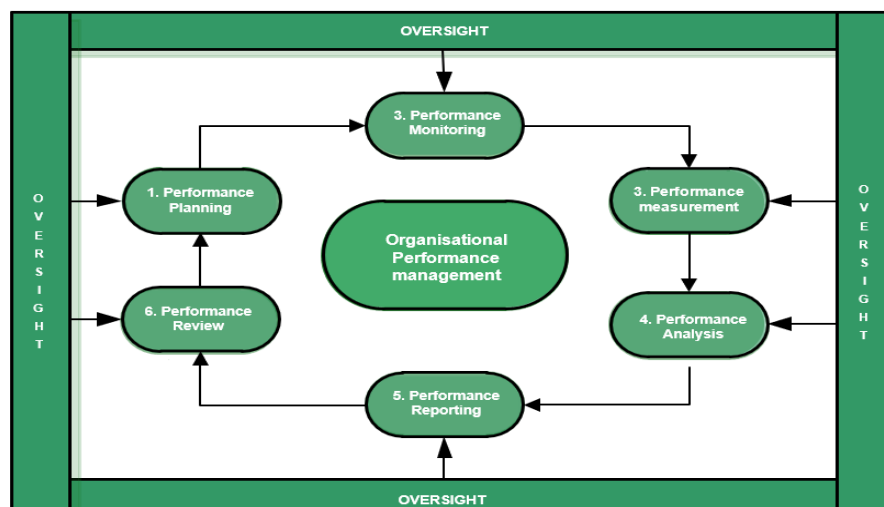


FIGURE 6: PMS Framework milestones.

The Organisational Performance Management function of Dannhauser local Municipality is entrusted to an internal Performance Management Unit within the Office of the Municipal Manager. The Performance Management unit currently consists of two employees, i.e., one post of Manager: IDP/Performance Manager and the Admin officer. The post of PMS officer is currently vacant yet its key in the functioning of the unit.

4.1.4 Development of Indicators and Targets (SMART PRINCIPLE)

Dannhauser Municipality developed performance indicators which are both qualitative and quantitative that indicate whether progress is being made in achieving the objectives and targets. Indicators are important because they:

- Enable the review of objectives.
- Provide a common framework for measuring and reporting.
- Translate complex concepts into simple operational measurement variables.
- Help to provide feedback to an organization, its staff, and stakeholders.
- Help when comparing the municipality's performance to that of others.

Defining a good performance indicator requires careful analysis on what is to be measured and a thorough understanding of the nature of the **input, output, activities,** and desired outcome.

Each year when developing the Municipal SDBIP, the Heads of Department (HODs) sit with the PMS office to **develop performance indicators** (KPIs) and to test KPIs to meet the following criteria:

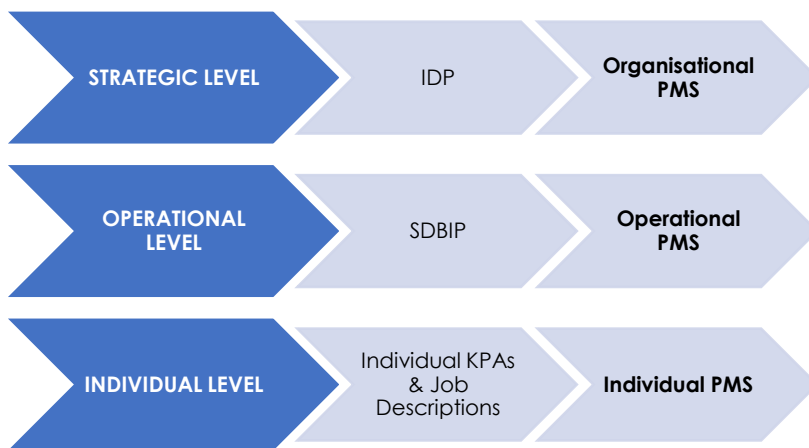
- Reliable - accurate enough for its intended use.
- Well-defined-clear and unambiguous.
- Cost effective - usefulness of collecting data must satisfy the cost.
- Verifiable-processes and system that produced the indicator can be validated.
- Relevant-relates to the municipalities mandate.
- Appropriate-encourage service delivery.

Once suitable indicators have been set, the required level of performance was established using the SMART principle. This is to ensure that the targets set meet the SMART criteria:

- Specific- measure only those dimensions that the municipally intends to measure.
- Measurable-easy to calculate from data that can be generated speedily, easily & at reasonable cost.
- Attainable-to attain the objectives (knowing the resources and capacities at the disposal of the community);
- Realistic-able to obtain the level of change reflected in the objective.
- Time bound-achievable within a defined time scale (this would not be applicable to a standing objective).

4.1.5 The Process of Managing Organisational and Individual Performance

The process of managing performance at organisational level in the Dannhauser Municipality involves the stages as set out in the following diagram:



The annual process of managing performance at organizational level in the Dannhauser Municipality involves the steps as set out in the diagram below:

Performance Planning

The performance of the Municipality is managed in terms of its IDP and the process of compiling an IDP and the annual review thereof constitutes the process of planning for performance. The last component of the cycle is that of performance review and the outcome of such a review process must inform the next cycle of IDP compilation/review by focusing the planning processes on those areas in which the Municipality has under-performed.

Performance Monitoring

Performance monitoring is an ongoing process by which a manager accountable for a specific indicator as set out in the organizational scorecard (and a service delivery target contained in the SDBIP) continuously monitors current performance against targets set. The aim of the monitoring process is to take appropriate and immediate interim (or preliminary) action where the indication is that a target is not going to be met by the time that the formal process of performance measurement, analysis, reporting, and review is due.

Dannhauser local Municipality chose to report on organizational performance of the Municipality on a quarterly basis to the **Audit Committee** and the **Executive Committee**. The same applies to the various Top Layer and Departmental SDBIPs.

Performance monitoring requires that in between the said formal cycle of performance measurement appropriate action be taken should it become evident that a specific performance target is not going to be met.

In each section the responsible Manager is assigned (as stated on the right-hand column of each unit's performance plan) who becomes responsible for reporting on the respective indicator, devise methods to improve performance and detect early warning signs.

Performance Measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator. The Municipality currently relies on a manual process to manage its performance provision therefore the data collection occurs through the organizational (TL) and departmental scorecards per indicator.

Submission: after the end of each quarter, the following are submitted to the MMs office:

- 1) Completed Departmental scorecards,
- 2) A file of **POEs** correctly labeled with a contents page reference as per KPI No.
- 3) **Signed by the HOD** to ascertain completeness & reliability of reported information.
- 4) Date on which the POE is received will be stamped by the MMs office.

The performance information should be submitted by the 15th of the month following quarter-end. These dates are meant to ensure the PMS office is allowed enough time to prepare a report to be tabled to EXCO. The documents listed above are submitted to the MMs office by the 15th of the month of the new quarter, i.e.

- 1) Quarter 1- report is due on the **15th of October**
- 2) Quarter 2- report is due on the **15th of January**

3) Quarter 3- report is due on the **15th of April**

4) Quarter 4- report is due on the **15th of July**

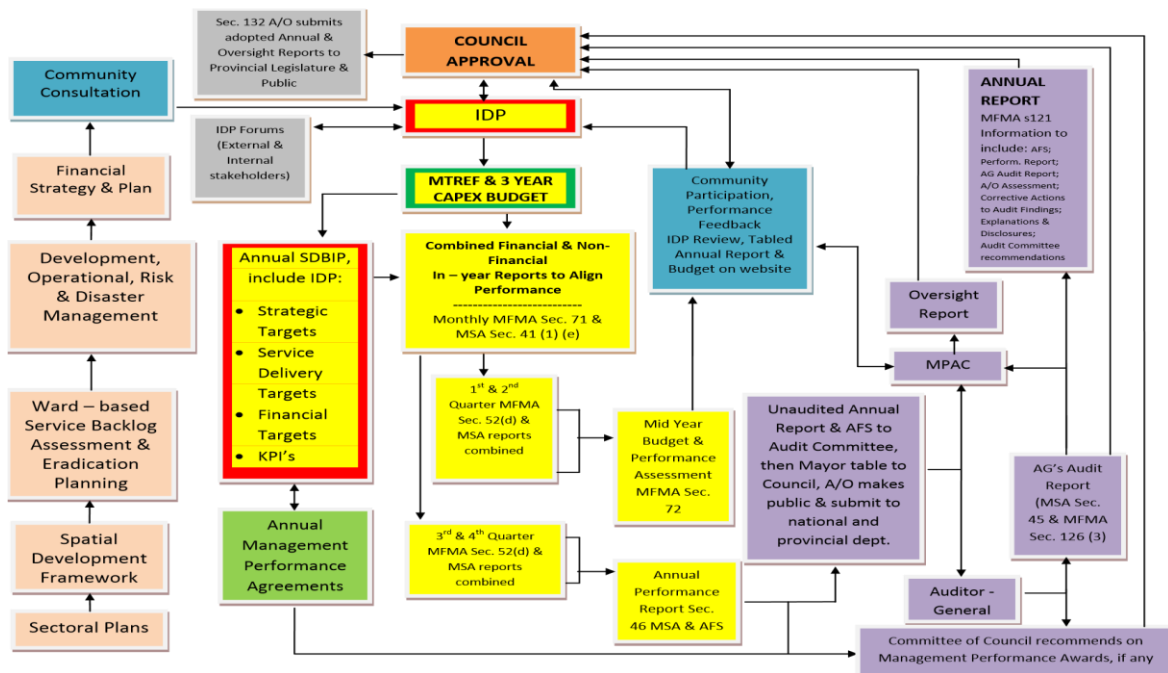
These target dates have however been a challenge to meet due to limited capacity in terms of human resources, systems, and space in the municipality.

Where targets have not been met, performance analysis requires that the reasons therefore should be examined, and corrective action be stated. Where targets have been met or exceeded, the key factors that resulted in such success are documented and shared to ensure organizational learning.

In practice the entails that the Manager responsible for each indicator, after capturing the performance data against targets on the Top Layer/organizational or departmental scorecards, analyze the underlying reasons why a target has not been met and capture a summary of his/her findings on the scorecard. The Manager thereafter compiles a recommendation in terms of the corrective action proposed in instances where a target has not been achieved and capture this on the relevant scorecard. Provision has been made on the reporting format of the organizational and Departmental scorecards to capture both the '**reasons for variance**' and the '**corrective action**' proposed clearly marked in the scorecard as "*measures taken to improve performance*".

Performance Reporting and Review

Performance reporting and performance review will be dealt with at the same time. The diagram below reflects the entire reporting process:



Municipal Vision

To achieve the successful implementation of radical economic transformation through a financially viable municipality that delivers integrated quality basic services, infrastructure development and socio-economic development and growth for the community and external stakeholders by 2030

The Vision for Dannhauser Municipality is intended to provide a clear statement of the preferred future that is aligned with the National Development Plan of 2030. This statement is informed by the historical understanding and knowledge of the area.

In addition to the above, the following components have been identified as being key to the development of the communities of Dannhauser, namely:

Key Developmental Objectives as per Municipal IDP

- Municipal Transformation & institutional Development
- Basic Service Delivery
- Local Economic Development
- Good Governance & Public Participation
- Cross Cutting
- Municipal Financial Viability & Management.

4.1.6 Performance Audit Committee

The Performance Audit Committee has been established in terms of Section 14(2) (a) of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

Mandate

The Dannhauser Municipality established an Audit Committee (AC) in terms of section 166 of the MFMA, section 14(2) of the Local Government Municipal Planning and Performance Regulations, 2001 (Regulations) and MFMA Circular No.65 issued by the National Treasury in November 2012. Consideration has also been given to the recommendations contained in the King Report on Governance for South Africa 2017 (King IV).

Members and Attendance at Meetings

The AC is comprised of four (4) independent, external members and the AC members are Mr M Ngubane (Chairperson – Audit Committee), Mr B Mbange, Ms B Mokgatle and Mrs N Sikhakhane. The AC is required to meet at least 4 times per annum, in line with S166 of the MFMA.

The Audit Committee and Performance Committee held meetings on the following dates in the 2023/2024 financial year:

1. 28 August 2023
2. 31 August 2023
3. 28 March 2024

Responsibility

The legal responsibilities of the AC are set out in terms of section 166 of the MFMA and operate within the terms of the Audit and Performance Committee Charter approved by the Council.

In the conduct of its duties, the AC has performed the following statutory duties relating to the year ending 30 June 2024.

4.1.7 Performance Review

Performance Monitoring underpins the Municipality's Integrated Development Plan in terms of reviewing progress regularly in achieving the priorities and delivering value for money services. Early investigation into variances enables remedial action taken where appropriate.

To improve on performance planning, implementation, measurement and reporting, the Municipality implemented the following actions: Departmental Scorecards (operational plans) were developed for monitoring and reporting operational programmes; these emanate from the performance plans signed by HODs at the beginning of the financial year.

A manual performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the HODs i.e., S.56 Managers reporting directly to Municipal Manager. The Municipality endeavoured during the development of the Top Layer Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental scorecards that inform the SDBIP that the "SMART" principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific, and time bound, thus making it measurable.

Dannhauser Municipality IDP is regular review on an annual basis which is linked to the Budget and PMS processes.

As the Municipal Systems Act 32 of 2000, Sections 28 and 32 allows, Dannhauser IDP has been reviewed for 2023/24 and adopted by Council on the 30 March 2023. The five-year strategic plan (IDP) remains the primary document that informs all plans of the Municipality. The IDP review process facilitates the process of monitoring, reviewing, and reporting on the performance indicators and provides for an opportunity for public participation in line with the IDP structures.

The process of managing performance at organisational level in the Dannhauser Municipality involves the stages as set out in the following diagram as depicted in the Municipal PMS framework as depicted in Figure 1: PMS framework milestones.

4.1.8 Annual Performance Reporting 2023/2024 High Level Summary

The Annual Performance Report highlights the key performance measures included in the Integrated Development Plan (IDP) review for the 2023/2024 financial year. These priority objectives that are enshrined in the Dannhauser Organisational Performance Scorecard (Including the Top Layer of the SDBIP on basic service delivery targets) for 2023/2024.

The Annual Performance Reporting on the 2023/2024 financial year has been presented as per the Organisational Performance Scorecard table format (as prescribed by KwaZulu Natal Department of Corporate Governance and Traditional Affairs as an APR reporting format).

In compliance with the legislation, the Final Annual Performance Report is presented in compliance with Section 46 of the Municipal Systems Act and was presented/submitted to the Auditor General on the 31st of August 2024 for auditing purposes together with the Annual Financial Statements and a Final Annual report 2023/2024. The unaudited Final Performance report, and Annual Financial Statements were tabled to Audit Committee in its meeting on the 28 August 2024 to advance accountability and expedite corrective measures with the updated documents submitted afterwards to ensure that their comments were incorporated.

This Annual Performance Report (Tables the Top Layer of Service Delivery Targets set in the Service Delivery Budget Implementation Plan) should be read in conjunction with the Dannhauser Draft Annual Report, including the Annual Financial Statements as well as (Auditor General Report once available) on the Annual Financial Statements and Performance on Predetermined Objectives for the 2023/2024 financial year.

4.1.9 In-Year Performance Reporting and Review

The submission of the scorecards to the Executive Committee for consideration and review of the performance of the Municipality is the next step in the process. The organizational and Departmental scorecards are submitted to the Internal Auditor, Audit Committee and the Executive Committee for consideration and review on a quarterly basis.

The review in January coincided with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the accounting officer must by 25 January of each year assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP.

Performance review is the process where the leadership of an organization, after the performance of the organization have been measured and reported to it, reviews the results, and decided on appropriate action. The Audit Committee and the Executive Committee in reviewing the organisational and departmental scorecards submitted to it ensures that targets committed to in the scorecard have been met, where they have not, that satisfactory and sufficient reasons have been provided by senior management and that the corrective action being proposed is sufficient to address the reasons for poor performance. If satisfied with the corrective action as proposed, these are adopted as formal resolutions of Council, minutes and actioned accordingly.

4.1.10 Annual Performance Reporting and Review (S46)

On an annual basis a comprehensive report on the performance of the Municipality is compiled. The requirements for the compilation, consideration, and review of such an annual report are set out in chapter 12 of the MFMA, the detailed required information has been articulated in Circular 63 of the MFMA of 2012. In summary it requires that:

- All municipalities for each financial year compile an Annual Report.
- The annual report be tabled within seven months after the end of the financial year i.e., January.
- The annual report immediately after it has been tabled be made public and that the local community be invited to submit representations thereon.
- The municipal Council considers the annual report within nine months after the end of the financial year and adopt an oversight report containing the council's comments on the annual report, i.e., March.

- The **Annual Report 2022/2023** was submitted on 31 January 2024 to Council.
- The **oversight report** was adopted by Council on the 30th of March 2024 and immediately made public.
- The annual report was tabled, and the Council's oversight was forwarded to the Auditor-General, the Provincial Treasury and DCOGTA - the department responsible for local government in the province; and
- The annual report was tabled, and the Council's oversight report was submitted to the Provincial legislature.
- Various forms of media including radio, newspaper - Isolezwe and Municipal website were used to convey the annual report.
- The public was invited to submit comments on the annual report via Post, telephone, and email.
- Making use of existing structures such as ward and/or development committees to disseminate the annual report and invite comments.
- Hosting public meetings and roadshows to invite inputs from the public on the draft annual report.
- Posting the annual report on the council website and inviting input.

Dannhauser Local Municipality has ensured the following actions:

- Reduction of KPI's reported on, this enables a greater focus on addressing the municipal strategic objectives identified in the IDP while applying an outcomes-based approach.
- The SDBIP has a column of the Strategic Objectives cross-linked with rows of KPI's for each municipal operational unit and interlinked with a column which represents the Portfolio of Evidence (P.O.E).

- The PMS/IDP Manager undertakes the functionality of the Performance Management System as there is a shortage of staff within the municipal structures.
- The municipality currently uses a “Top Layer” system, this only monitor and evaluates the performance of Section 56 & 54 managers. A “Middle Layer” which evaluates staff members below Section 56 & 54 appointments is planned for implementation. The SDBIP developed considers the “SMART” principles in the setting of indicators and objectives.
- In 2023/2024 financial year, the municipality drafted and developed the “Standard Operating Procedures” to evaluate performance in the 2023/2024 financial year. During the year under review the municipality utilized the SOP for 2023/2024 as a guideline.
- A Performance Management Policy is currently in place, and it is reviewed on a yearly basis.
- Council adopted the IDP/Budget Process Plan in July of each year. Council adopted the IDP Review and the Budget for 2023/2024 on 30 March 2023; the 2023/2024 IDP Review and Budget was adopted by Council timeously on 30 March 2023. Council adopted the PMS Framework Review 2023/2024 on 31 August 2023. Once the 2023/2024 IDP Review and Budget were adopted by Council, the SDBIP 2023/2024 was finalized as prescribed by the MSA, MFMA and MFMA Circular 13.
- Council approved this SDBIP on 31 August 2023. Assessments of the SDBIP were conducted on a quarterly basis, reports of which were submitted to Council for consideration.

4.1.11 Performance Evaluation Panels

Performance Evaluation Panels are established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager.

Performance assessment/ evaluation meetings were not held in the current year mainly due to the instability brought about by the local government elections as well as the resignations that happened at senior management level.

The Annual performance evaluation will commence once the Annual Report for 2023/2024 has been adopted by the Council for consideration of performance bonuses in terms of the Regulations.

4.1.12 Key Challenges Facing Municipality 2023/2024

The municipality in the 2023/2024 financial year faced the following challenges:

- Due to political challenges the municipal legislated documents were not approved on legislated dates.
- Some policies were not adopted due longer processes during consultation with internal and external stakeholders.
- Longer processes when filling critical positions this is due to complexity during the recruitment process.
- The significant challenges and limitations that hindered the municipal operation.
- Project Management Unit internally not capacitated in terms of personnel depending mostly to external service providers, this in a way affect delivery of projects as per approved budget.
- Slow progress in the construction of Ward9 Community Hall it's a challenge in rendering service delivery to the community.
- Financial constrains its making things more difficult to render service to the communities.
- The change in reprioritising projects due to financial constraints has also made it a bit challenging in fulfilling the basic needs, i.e., adequately completing the construction of the disaster houses as only two out of 20 were constructed,
- Infrastructure projects (childcare facility, municipal offices, upgrade of the Durnacol sports complex, rehabilitation of ward 1, 3, 6, 7, &13 rural roads and the provision of electrification infills infrastructure in ward3, 4,8 and 12. Were in completed also due to financial constraints.

- Execute Function that do not fall in the scope of the municipality which is water provision by Water Tankers in different Wards where there is a shortage or disruption in the reticulation water services, this was due to pressure from the affected communities or Wards apply pressure to the local municipality when the WSA is not promptly responding as the responsible authority.
- Lack of review implementation plan for Capital Projects for effective monitoring and evaluation of projects and ensuring resources are adequately utilised
- The municipality had financial implications and EPWP could not be catered for adequately, and.
- Improve capacity of the department for adequately performing functions of the department
- Management of the SLP's of the mines operating within the municipal area not clear in terms of directorate that lead to the lack of monitoring implementation from the municipality side.
- Comprehensive LED Strategy not properly processed with different stakeholders this is due to misunderstanding internally regarding the best formula on stakeholders' management
- Failure to comply with legislative dates for Reports due for Council processing and adoption, due to lack of poor communication between Governance and Administration
- Lack of coordination on the implementation of the Standing Rules of order for Council sitting and its committees.
- Governance structures not adequately functional, this is due to uncertainty to both Governance and Administration
- PFAC not adequately functional, this was due to delay on the appointment of the new committees as the terms of the old PFAC ended towards the end of the 3rd Quarter.
- The change in administration also affected the establishment and sitting of IDP/RF, (Review)
- The submission of Draft Interim Financial Statements also got delayed as the Budget and Treasury section did not have the Head of Department.
(review/consult HOD/CFO)

- Inadequate budget for construction of the infrastructure for new Dannhauser Cemeteries
- Non-compliant on the Dannhauser Landfill Site as part of the license requirement,
- IWMP approval process not finalised by relevant MEC
- Resistance on the LUMS implementation across municipal area.
- Departments personnel responsible for SCM process like requisition not adequately capacitated.
- Payments taking longer than 30days for Creditors in respect against the municipality
- Budget not adequately funded, and departments do not participate accordingly on the budget planning process and management is lacking
- UIFWE not properly managed to reduce the recurrence going forward

4.1.13 Detailed Annual Performance Report

The performance reporting of the municipality is done in line with the 6 national KPA's and is the focus of the MSA Section 46 requirements and therefore reflects the performance of the municipality for the financial year, and measures taken to improve performance.

Legend:

- ✓ **Blue** – Performance not measured in the year under review.
- ✓ **Green** – Performance meets target.
- ✓ **Red** – Performance does not meet target.

KPA 1: Municipal Transformation and Institutional Development											
Department	Strategic Objective	Strategy	Indicator	Q1	Q2	Q3	Q4	Annual Target	Reason for variance	Corrective Measure	Achieved/Not Achieved
BT O, CO RP, MM & TE CH	To transform the Dannhaus into a performance driven Municipality	Outsourced services effectively managed	Number of Performance Assessment conducted on the service providers with signed SLA'	1x Quarterly Performance Assessment Report for Service Providers	1x Quarterly Performance Assessment Report for Service Providers	1x Quarterly Performance Assessment Report for Service Providers	1x Quarterly Performance Assessment Report for Service Providers	4x Performance Assessment for all Service Providers assessed in the year ending 30 June 2024			Not Achieved

			s, on a quarterly basis in the year ending 30 June 2024								
BT O		Effective Implementation of SCM Policy	Date of preparation and submission of Departmental procurement plan and	Procurement plan submitted to MM and Council by end-July 2023	N/A	N/A	N/A	Develop and Submit 2023/24 Procurement Plan to MM and Council by 31 July 2023 in the 30 June 2024 financial year			Achieved

			approved adjustment for the year ending 30 June 2024								
CO RP	To provide skills development	Workplace Skills Plan (WSP) in line with the Employment Equity Plan (EEP)	Submission of the 2023/2024 WSP plan by 30 April 2024	N/A	N/A	N/A	Submission of the 2023/2024 WSP to LGSETA by 30 April 2024	submission of the 2023/2024 WSP to LGSETA by 30 April 2023 in the year ending 30 June 2024			Achieved
CO RP	programmes for	Annual refine	Adoption of	Review and adoption	N/A	N/A	N/A	Review and adoption of Organisation			Achieved

	Staff, Councillors	ment of Organisational Structure	the 2023/2024 Organisational Structure					al Structure before by Council by 30 July 2023			
CO RP		Recruitment for critical posts completed	100% identified posts filled	4x Vacant budgeted and evaluated posts to be filled by 31 March 2023	4x Vacant budgeted and evaluated posts to be filled by 31 March 2023	4x Vacant budgeted and evaluated posts to be filled by 31 March 2023	6x Vacant budgeted and evaluated posts to be filled by 31 March 2023	100% filling of identified critical posts in the year ending 30 June 2024			Achieved
CO RP	Development and adoption of Batho Pele Principle	Effective management of Municipal Workforce	Development and adoption of Batho Pele Principle by 30 June 2024	Adoption of Batho Pele Principle in the year ending 30 July 2023 ne 2024	N/A	N/A	N/A	Adoption of Batho Pele Principle by 30 June 2024	change in political leadership delayed the approval of	policy and strategy will be approved in Q2	Not Achieved

									polici es		
CO RP	To ensur e prop er imple ment ation of Muni cipal polici es	Revie w and adopti on of municip al policie s by Counc il	Revi ew and Adop tion of Municip al polici es by Coun cil in the year endi ng 30 June 2024	1x report on review and adoption of Municipal Policies by Council in the year ending 30 June 2024	1x report on review and adoption of Municipal Policies by Council in the year ending 30 June 2024	1x report on review and adoption of Municipal Policies by Council in the year ending 30 June 2024	1x report on review and adoption of Municipal Policies by Council in the year ending 30 June 2024	Review and Adoption of all municipal policies (HR, ICT Finance and General Frameworks) by Council in the year ending 30 June 2024	chan ge in politi cal lead ershi p dela yed the appr oval of polici es	Poli cies and strat egy will be appr ove d in Q2	Not Achi eved
KPA 2: Basic Service Delivery											
CO M	To regul arly provi de effect ive	provisi on of waste remov al servic es	Moni torin g the wast e remo val	1x quarterly implementati on Reports	1x quarterly implementati on Reports	1x quarterly implementati on Reports	1x quarterly implementati on Reports	4x quarterly implementati on Reports for the year ending 30 June 2024			Achi eved

	servi ces to the Com munit y in order to creat e clean and safe envir onme nt		servi ces provi sion withi n the muni cipal Area for the year endi ng 30 June 2024								
CO M		imple menta tion of Indige nt Policy	Moni tor the imple ment ation of the indig ent polic y for	1x Quarterly report on indigent households earning less than R3800 per month provided with free refuse removal in the year ending 30 June 2024	1x Quarterly report on indigent households earning less than R3800 per month provided with free refuse removal in the year ending 30 June 2024	1x Quarterly report on indigent households earning less than R3800 per month provided with free refuse removal in the year ending 30 June 2024	1x Quarterly report on indigent households earning less than R3800 per month provided with free refuse removal in the year ending 30 June 2024	4x Quarterly report on indigent households earning less than R3800 per month provided with free refuse removal in the year ending 30 June 2024			Not Achi eved

			indigent household earning less than R3800 per month with free basic services, refuse removal in the year ending 30 June 2024								
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P&L ED	To facilitate the provision of housing in line with the national and provincial norms and standards	Intervention to Disaster/Relief houses	Intervention to the Disaster/Relief houses constructed for the victim of disaster for year ended 30 June 2024	Social Facilitation and beneficiary enrolment to the NHBRC,	Appointment of Project manager, Contractor and NHBRC enrolment certificate	Commencement of Construction of the 30 houses.	Construction of 20 Houses	20 x shelters constructed for victims of disaster in the year ending 30 June 2024	Not applicable	Not applicable	Not Achieved
P&L ED		Ubuhl ebom zinyathi Housi	Facilitate and monitor	1 X PSC Meetings, Technical Meetings and Housing	1 X PSC Meetings, 1x Technical Committee Meetings and	1 X PSC Meetings, 1x Technical Meetings and 1x Housing	1x PSC Meetings, 1x Technical Meetings and 1x Housing	4x Progress report of the Construction of houses in the year	Not applicable	Not applicable	Not Achieved

		ng Projec t: Imple menta tion	the imple ment ation of hum an settle ment proje cts for year ende d 30 June 2024	Forum Meetings	1x Housing Forum Meetings	Forum Meetings	Forum Meetings	ending 30 June 2024			
TE CH	To facilit ate the const ructio n of new office s	Buildi ng of New Office s - Phase 1 (ward 2)	Com plete const ructi on of the Muni cipal Offic es in term s of	1 x Quarterly Reporting on the Construction of New Offices in the year ending 30 June 2024	1 x Quarterly Reporting on the Construction of New Offices in the year ending 30 June 2024	1 x Quarterly Reporting on the Construction of New Offices in the year ending 30 June 2024	1 x Quarterly Reporting on the Construction of New Offices in the year ending 30 June 2024	Construct the Municipal Office Building in terms of the budget allocated in the year ending 30 June 2024			Achi eved

			the budget allocated for the Financial Year ending 30 June 2024								
TECH	To facilitate the construction of testing grounds	Completion of Phase 2 of a Testing Centre (ward 2)	Assessment and Repairs of the Municipal Testing Station phas	Appointment of the Project Manager and Assessment of the balance of the scope of work	1x Progress report on testing centre	1x Progress report on testing centre	1x Progress report on testing centre	Assessment of completion of the Municipal Testing Station in the year ending 30 June 2024	Not applicable	Not applicable	Not Achieved

			e 2 by the 30 June 2024								
TE CH	To provi de Publi c Ame nities	Compl ete Const ructio n of Ward 9 Com munit y Hall	Com plete const ructi on of the Ward 9 Com muni ty Hall by 30 June 2024	fitting and Installation of steel portal frame	Erection of the brick work and sub- structure	fitting and Installation of steel portal frame and erection of the brick work above sub structure	Completion of the construction of the hall as per approved scope of work	Completed construction the ward 09 community hall by 30 June 2024	Poor Perf orma nce from servi ce provi der	Noti ces of slow prog ress wer e issu ed to serv ice to acc urat e plan sub mitt ed and proj	Not Achi eved

										ect is acc eler atin g.	
TE CH		Compl ete Const ructio n of Ward 10 Com munit y Hall	Com plete const ructi on of the Ward 10 com muni ty Hall by 30 June 2024	construction of Sub structure	Fitting and Installation of steel portal frame	construction of Sub structure and fitting and Installation of steel portal frame	Erection of the brick work above sub structure	Complete of construction the ward 10 community hall by 30 June 2024			Achi eved
TE CH		Const ructio n of Emph ongol weni gravel	com pletio n of const ructi on of 1km emp	Finalisation of SCM, handover of the service provider and Technical Processes	Progress report on construction of Emphongolw eni	Progress report on construction of Emphongolw eni	Completion of the construction of 1km emphongolw eni gravel access road	1 Km of emphongolw eni gravel/access road completed by 30 June 2024			Not Achi eved

	To ensure safe road infrastructure networks	road 1km	long olwe ni gravel road by 30 June 2024								
TECH		Upgrade of Ramaphosa Access Roads in ward 03 (Phase 1)	Complete the upgrade of the Ramaphosa Access Road in ward 03 (Phase 1) by 30	Finalisation of SCM and Technical Processes, Handover of the site to the Service Provider and Commencement of Contractor and commencement of construction	Progress report on construction of Ramaphosa Access Road	Progress report on construction of Ramaphosa Access Road	Completion of the construction of 1,491 km Ramaphosa Access Roads (Phase 1)	1.491 Km upgrade of Ramaphosa Access Road in ward 03 (Phase 1) by 30 June 2024			Achieved

			June 2024								
TECH		Construction of Mooi gravel Access road 4,7km in ward 13	completion construction of 4,7 km mooi gravel access road by 30 June 2024	Finalisation of SCM and Technical Processes, Handover of the site to the Service Provider and Commencement of Contractor and commencement of construction	Progress report on construction of Mooi Gravel Access Road	Progress report on construction of Mooi Gravel Access Road	Progress report on construction of Mooi Gravel Access Road	4,7 km of mooi gravel/access road completed by 30 June 2024	Not applicable	Not applicable	Not Achieved
TECH		Construction of Koppie Allen Gravel Access	completion construction of 2,703 Km Koppie	Finalisation of SCM and Technical Processes, Handover of the site to the Service Provider and Commencement of	Progress report on construction of Koppie Allen Gravel Access Road	Progress report on construction of Koppie Allen Gravel Access Road	completion Koppie Allen access road	2,703 km of Koppie Allen gravel Access Road completed by 30 June 2024	Not applicable	Not applicable	Not Achieved

		Road 2 703km in ward 01	Allen gravel access road by 30 June 2024	Contractor and commencement of construction							
TECH		Construction of Nkosibovu gravel 0,4km and causeway Road 0.05 in ward 06	completion of construction of 0,4 km Nkosibovu gravel and 0,05 Causeway road by 30 June 2024	Finalisation of SCM and Technical Processes, Handover of the site to the Service Provider and Commencement of Contractor and commencement of construction	Progress report on construction of Nkosibovu Causeway and Gravel Access Road	Progress report on construction of Nkosibovu Causeway and Gravel Access Road	Progress report on construction of Nkosibovu Causeway and Gravel Access Road	completion of 0,4 km Nkosibovu gravel and 0,05 Causeway road by 30 June 2024	Reduction in MIG allocation	Prioritise the project in the new FY	Not Achieved

TE CH	To ensure safe environment through electrification infills	Electricity Infrastructure	Provision of the electricity infrastructure to 360(Ward 3,4,8 & 12) households by 30 June 2024	Finalisation of the SCM processes	1 x Progress Report on Households electricity infrastructure	1 x Progress Report on Households electricity infrastructure	1 x Progress Report on Households electrification-Infill in Ward 4,7,8 & 12	360 houses to be provided with electricity infrastructure by 30 June 2024	Target not met due to limited funding on the project	Re-budget for the project in the next financial year	Not Achieved
TE CH	To ensure safe environment through	Electricity Infrastructure	houses to be provided with electricity infra	Appointment letter	N/A	N/A	Department of Energy application	houses to be provided with electricity infrastructure (Ward1, 2, 5, 6, 7, 9, 10, 11, 13) in the year ending 30 June 2024	Not applicable	Not applicable	Not Achieved

	instal lation of mast lights /stree tlight s		struc ture (War d1, 2, 5, 6, 7, 9, 10, 11, 13) in the year endi ng 30 June 2024								
TE CH		High Mast Lights	Provi sion of Mast lights in ward (6,7,8 ,10& 13) by 30	N/A	N/A	SCM process	SCM process continue	provision of mast lights in ward 6,7,8,10&13 by 30 June 2024			Not Achi eved

			June 2024								
TECH	To ensure safe road infrastructure networks	urban Road	Designs and Contract documentation for the 2024/2025 Urban Road rehabilitation undertaken in ward 02 by 30 June 2024	Technical report presented to Cogta for Funding	N/A	N/A	SCM process	Designs and Contract documentation for the 2024/2025 Urban Road rehabilitation undertaken in ward 02 by 30 June 2024			Achieved

TE CH	To provi de free basic servi ces	Acces s to basic servic es	The num ber of indigent househol ds earni ng less than R3800 per mont h with acce ss to free basic servi ces (elec tricity) for the year	number of indigent applications granted access to electricity	number of indigent applications granted access to electricity	number of indigent applications granted access to electricity	number of indigent applications granted access to electricity	number of the indigents granted access to electricity in the year ended 30 June 2024			Achi eved
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			ending 30 June 2024								
KPA 3: Local Economic Development											
CO M	To review and monitor Social & Labour Plans of mining stake holders ensuring they are aligned to	Special Programs	Number of Quarterly Disaster Forum meetings and Sukuma Sakhe Programme	Attend 1 x Disaster Forum meetings and Sukuma Sakhe Programme as per DM invitation in the year ending 30 June 2024	Attend 1 x Disaster Forum meetings and Sukuma Sakhe Programme as per DM invitation in the year ending 30 June 2024	Attend 1x Disaster Forum meetings and Sukuma Sakhe Programme as per DM invitation in the year ending 30 June 2024	Attend 1x Disaster Forum meetings and Sukuma Sakhe Programme as per DM invitation in the year ending 30 June 2024	Attend 4 x Disaster Forum meetings and Sukuma Sakhe Programme as per DM invitation in the year ending 30 June 2024			Achieved

	development initiatives of the municipality		District Municipality (DM) invitation in the year ending 30 June 2024								
P&LED	To develop a comprehensive strategy to empower SMMs & Co-ops	Empowerment of SMMs and Co-ops and Development of key sector	Date of Adoption of the Comprehensive LED Strategies by	Appointment of the Service provider and Inception Report	Situational Analysis and Strategies	Public Participation and Stakeholder Engagement	Adoption of the LED Comprehensive Strategy by 31 May 2024	Adoption of the Comprehensive LED Strategy in the year ending 30 June 2024			Not Achieved

		s of the Economy, Job Creation and Economic Investment	the end of June 2024								
P&L ED	To develop a comprehensive strategy to empower SMMs & Co-ops	Ensuring LED programmes are implemented, monitored, reviewed and evaluated	Establishment of LED Forum by 30 June 2024	N/A	Preparations of the LED Forum TORs	Submission of the 1st draft TOR to Portfolio	Establish LED Forum	Establishment and Functionality of the LED Forum in the year ending 30 June 2024			Achieved
P&L ED			Monitor Compliance on the Form	1 x quarterly Report on Formal Businesses applied for business licences	1 x quarterly Report on Formal Businesses applied for business licences	1 x quarterly Report on Formal Businesses applied for business licences	1x quarterly Report on Formal Businesses applied for business licences	Formal Businesses issued with businesses and monitored in the year			Achieved

			al Busi ness es					ending 30 June 2024			
P&L ED			Supp ort Infor mal Trad ers and Moni tor Infor mal Busi ness es	List of Informal Businesses issued with permits and monitored	List of Informal Businesses issued with permits and monitored	List of Informal Businesses issued with permits and monitored	List of Informal Businesses issued with permits and monitored	List of Informal Businesses issued with permits and monitored in the year ending 30 June 2024			Achi eved
KPA 4: Good Governance & Public Participation											
MM	To ensur e progr essiv e compl ianc e with	Revie w and imple menta tion of 2023/ 2024 PMS Policy	Num ber of perfo rman ce asse ssme nts cond	1 Performance assessments to be conducted	1 Performance assessments to be conducted	1 Performance assessments to be conducted	1 Performance assessments to be conducted	4 x quarterly Performance assessments to be conducted (2 x Informal/verb al & 2 x Formal) in the	Partl y finali satio n of the MM and Dire ctors	Fina lisati on outs tand ing app oint men t	Not Achi eved

	institutional and governance requirements	Framework	updated in the year ending 30 JUNE 2024					year ending 30 JUNE 2024	appointment did not permit the execution of the Performance Assessment for Section 54/56 Managers as per PMS Policy and	process for Section 56 Managers	
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									Plan ning and Perf orma nce Reg ulati ons of 2001		
MM		Adopti on and Imple menta tion of the Risk Mana geme nt Polic ies	Date of Adop tion of the Revi ewed 2023 /24 Risk Man age ment Polic ies and Strat	2023/2024 RM Policies and Strategies were not adopted	NA	NA	NA	Review and adopt the 2023/24RM policies and strategies by Council before 31 July 2023 in the Year ended 30 JUNE 2024	Due to Man age ment appo intm ent not finali sed, the RMC was also not	Fast trac k esta blish men t of the RM C, and prior itise revi ew of the	Not Achi eved

			egies by Coun cil in the year endi ng 30 JUN E 2024						esta blish ed, and the Risk Man age ment Polic ies and Strat egy were not com piled or revie w	RM Poli cy and Stra tegy	
MM		Adopti on of the Annua l Repor t	Date of Adop tion of the 2022	Date of Adoption of the 2022/2023 Draft Annual Report by Council on or	NA	NA	Adoption of the 2022/2023 Draft Annual Report by Council	NA	No Cou ncil meet ing	Man age ment and Cou ncil	Not Achi eved

			/2023 Draft Annual Report by Council on or before the 25 January 2024	before the 25 January 2024					convened	to prioritise statutory dates as per different legislations governs local government	
MM			Date of Adoption of Oversight Repo	Adoption of OR on Final AR 2022/23 by Council before 31 March 2024	NA	NA	Adoption of the 2022/2023 Final Oversight Report by Council	NA	Due to instability for convening	Management and Council to	Not Achieved

			rt(O R) on final AR by Coun cil by the 31 Marc h 2024						Cou ncil the Final Over sight Rep ort was adop ted outsi de pres cribe d time	prior itise stat utor y date s as per diffe rent legis latio ns gov erns local gov ern men t	
MM		Adopti on of IDP	Date of adop tion of the 2024 /202 5	Adoption of 2024/25 Draft IDP by Council before 31 March 2023 in the year ending 30 JUNE 2024	NA	NA	Adoption of the 2024/2025 Draft IDP by Council	NA	2024 /202 5 Draft IDP was sub mitte d to	Man age men t and Cou ncil to prior	Not Achi eved

			Draft IDP by Council by the 31 March 2024						Council but was not adopted	itise statutory date as per different legislations governs local government	
MM	To implement and maintain effective enterprise-	Risk Management	% of implementation of the risk management	100% implementation of the Risk Management Plan in the year ending 30 June 2024	Implement 25% of the Risk Management Plan	Implement 25% of the Risk Management Plan	Implement 25% of the Risk Management Plan	Implement 25% of the Risk Management Plan	Changes in Management lead to delay on	Fast track the review of the Risk Management	Not Achieved

	wide risk management system		action plan for the year ending 30 June 2024						finalising Risk Management Implementation Plan	men t Action Plan	
MM , BT O, CO RP	To Ensure Functional Audit Committee	Functional Audit Committee	Number of Quarterly Audit Committee meetings coordinated in the year ending	Co-ordinate 4x AC Quarterly AC meeting in the year ending 30 June 2024	Co-ordinate 1x AC Quarterly AC meeting in the year ending 30 June 2023	Co-ordinate 1x AC Quarterly AC meeting in the year ending 30 June 2023	Co-ordinate 1x AC Quarterly AC meeting in the year ending 30 June 2023	Co-ordinate 1x AC Quarterly AC meeting in the year ending 30 June 2023	The change in management was still in process in terms of strategizing the	Realign AC Schedule in terms of the remaining period of the financial	Not Achieved

			30 June 2024						delegation and support to coordinate AC Meetings (consultation)	year, and engage AC Chairperson and IA for fast tracking the process	
BT O			Date of Adoption of the 2023/24 Adjustment	N/A	N/A	Adjustment budget was adopted by council on the 29 February 2024	Adoption of 2023/2024 Adjustment Budget by Council by 28 Feb 2024	Adoption of 2023/24 Adjustment Budget by Council by 29 Feb 2024 in the year ending 30 June 2024			Achieved

	To ensure progressive compliance with institutional and governance requirements	Budgeting	Budget by Council in the year ending 30 June 2024								
BT O			Tabling of the 2024/25 draft Budget by Council in the year ending 30 June 2024	N/A	N/A	Date of adoption of the 2024/2025 Draft Budget by Council by 31 March 2024	Date of adoption of the 2024/2025 Draft Budget by Council by 31 March 2024	Date of adoption of the 2024/2025 Draft Budget by Council by 31 March 2024 in the year ending 30 June 2024			Achieved

BT O			Date of Approval of the 2024 /25 Final Budget by Council in the year ending 30 June 2024	N/A	N/A	N/A	Date of Approval of the 2024/25 Final Budget	Approval of 2024/254 Final Budget by Council by 31 May 2024 in the year ending 30 June 2024			Achieved
BT O			Number of monthly section 71 reports	Submission of 3 Monthly Section 71 reports to Mayor and Provincial Treasury within 10 days after the	Submission of 3 Monthly Section 71 reports to Mayor and Provincial Treasury within 10 days after the	Section 71 reports were submitted to the mayor. Proof of submission attached.	Submission of 3 Monthly Section 71 reports to Mayor and Provincial Treasury within 10 days after the	Submission of 12 X Monthly Section 71 reports to Mayor and Provincial Treasury within 10			Achieved

		Finan cial Repor ting	ts sub mitte d to coun cil in the year endi ng 30 June 2024	end of the month	end of the month		end of the month	working days after the end of the month in the year ending 30 June 2024			
BT O			Date of sub missi on of secti on 72 repor t to the May or by MM	N/A	N/A	Submission of Sect 72 Report to the Mayor by MM by 25 Jan 2024	Submission of Sect 72 Report to the Mayor by MM by 25 Jan 2024	Submission of Sect 72 Report to the Mayor by MM by 25 Jan 2024			Achi eved
BT O			Date of	Submission of '2022/23	N/A	N/A	N/A	Submission of '2022/23			Achi eved

			Sub missi on of 2023 /24 Annu al Fina ncial State ment s to AG	AFS to AG by 31 Aug 2023				AFS to AG by 31 Aug 2022			
BT O		Mana geme nt of Indige nt house holds	Date of Adop tion of the Upda ted and Revi ewed Indig ent Polic y by Coun	N/A	N/A	N/A	Adoption of indigent register	Adoption of an Updated and reviewed indigent Policy by Council by 31 May 2023			Achi eved

			cil in the year ending 30 June 2024								
BT O			Regu larly moni tor appr oved indig ent regis ter in the year endi ng 30 June 2024	3x Monthly indigent register	3x Monthly indigent register	3x Monthly indigent register	3x Monthly indigent register	12x updated and approved monthly for year ending 30 June 2024			Achi eved
BT O			Num ber of Impl	Prepare and Submit 3 SCM Implementati	Prepare and Submit 3 SCM Implementati	Prepare and Submit 6 SCM Implementati	Prepare and Submit 3 SCM Implementati	Prepare and Submit 12 xSCM Implementati			Achi eved

		Supply Chain Management (SCM)	Implementation of SCM Policy Implementation on Reports submitted to ExCo & BTO per month by 30 June 2024	on Reports to ExCo and Other Stakeholders(PT , NT)	on Reports to ExCo and Other Stakeholders(PT , NT)	on Reports to ExCo and Other Stakeholders(PT , NT)	on Reports to ExCo and Other Stakeholders(PT , NT)	on Reports to ExCo and Other Stakeholders(PT , NT) by 30 June 2024			
BT O			Number of	Prepare and submit 1 x quarterly	Prepare and submit 1 x quarterly	Prepare and submit 2 x quarterly	Prepare and submit 1 x quarterly	Prepare and submit 4 x quarterly			Achieved

			quarterly returns submitted to exco, Council and other stakeholders by the 10th day after quarter end in the year ending 30	returns within 10 days after quarter ends to Exco, Council and Other Stakeholders (PT, NT)	returns within 10 days after quarter ends to Exco, Council and Other Stakeholders (PT, NT)	returns within 10 days after quarter ends to Exco, Council and Other Stakeholders (PT, NT)	returns within 10 days after quarter ends to Exco, Council and Other Stakeholders (PT, NT)	returns to EXCO, Council and other Stakeholders by the 10th day after quarter end in the year ending 30 June 2024			
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			June 2024								
BT O, CO M	To ensure achievement of Unqualified Audit Opinion for 2023/2024 with no matters	Achieve Unqualified Audit Opinion	% of Addressed Findings from the 2022/2023 AG Action Plan in the year ending 30 June 2024	N/A	N/A	Address 50 % of Findings resolved from 2022/2023 AG Action Plan	Address 50 % of Findings resolved from 2022/2023 AG Action Plan	100% Address of Findings from the 2022/2023 AG Action Plan in the year ending 30 June 2024			Achieved
BT O	To provide reasonable assurance	Asset Management Review	Number of Asset Verification	N/A	N/A	N/A	Asset Verification Register	Perform 1x Asset Verification in the year ending June 2024			Achieved

	ance on the adeq uacy and effect ivene ss of intern al contr ol syste ms		catio n perfo rmed in the year endi ng 30 June 2024								
CO M	To provi de educ ation al and recre ation al servi ces to the com	Devel opme nt Progr ams	Deve lopm ent Prog rams Facili tated in the year endi ng 30 June 2024	1x Development program (book review competition) Conducted	1x Development (mental health awareness) program Conducted	1x Development program Conducted	1x Development program Conducted	4x Development Programs Conducted in the year ending 30 June 2024			Achi eved

COM	munity	Outreach Programs	Outreach Programs Facilitated in the year ending 30 June 2024	1x Outreach(national children day) program Conducted	1x Outreach(national children day) program Conducted	1x Outreached Program conducted	1x Outreached Program conducted	4x Outreach Programs Conducted in the year ending 30 June 2024			Achieved
COM	To direct law enforcement to improve	Municipal Road block conducted	Planning and Implementation of the road safety programs as regulated	Conduct 5 Road Blocks per quarter	Conduct 5 Road Blocks per quarter	Conduct 5 Road Blocks per quarter	Conduct 5 Road Blocks per quarter	Conduct 15 Road Blocks in the year ending 30 June 2024			Not Achieved

	ve safet y and secur ity		by the relev ant legisl ation for the finan cial year endi ng 30 June 2024								
CO M			Man age and Facili tate Multi disci plina ry road safet y progr	N/A	1 Roadblock with Stakeholders(RTI or SAPS)	1 Roadblock with Stakeholders(RTI or SAPS)	1 Roadblock with Stakeholders(RTI or SAPS)	Conduct 2x roadblocks with Stakeholders(RTI or SAPS) in the year ending 30 June 2024			Achi eved

			ams as regul ated by the relev ant legisl ation for the finan cial year endi ng 30 June 2024								
CO M	To ensur e comp lianc e with the devel	Disast er Mana geme nt	Revi ew and Adop tion of the 2023 /202	N/A	N/A	Review and Adoption of the 2023/2024 disaster management plan	Review and Adoption of the 2023/2024 disaster management plan by council in the	Review and Adoption of the 2023/2024 disaster management plan by council in the			Not Achi eved

	opment and implementation of disaster management plan		4 disaster management plan by council in the year ending 30 June 2024				year ending 30 June 2024	year ending 30 June 2024			
COM	To direct law enforcement to improve safety and security	Traffic Services (learners, drivers and motor licensing)	Number of Traffic Services report submitted to	1x Traffic Services Submitted to Portfolio and Exco	1x Traffic Services Submitted to Portfolio and Exco	1x Traffic Services submitted to Portfolio and Exco	1x Traffic Services submitted to portfolio and Exco	4x traffic services report submitted to Portfolio and Exco in the year ending 30 June 2024			Achieved

			port olio and Exco								
CO M	To ensur e the Imple ment ation of the gazet ted Anim al Poun d By- Law and its enfor ceme nt withi n the muni cipal jurisd iction	Anima l Pound By- Law Enforc ement	Num ber of quart erly repor ts sub mitte d to exco on anim al poun d servi ces cond ucte d in the finan cial year	1 quarterly progress report on the implementati on of Animal Pound By- Law	1 quarterly progress report on the implementati on of Animal Pound By- Law	1 quarterly progress report on the implementati on of Animal Pound By- Law	1 quarterly progress report on the implementati on of Animal Pound By- Law	4 x progress report on the implementati on of Animal Pound By- Law in the year ending 30 June 2024			Achi eved

			ended 30 June 2024								
CORP			Number of Quarterly Council Meetings Coordinated in the year ending 30 June 2024	Conduct 1x Quarterly Council Meeting.	Conduct 1x Quarterly Council Meeting.	Conduct 1x Quarterly Council Meeting.	Conduct 1x Quarterly Council Meeting.	conduct 4 X Council Meetings in the year ending 30 June 2024			Achieved
CORP	To ensure progress		Number of monthly EXC	3 x Exco meetings by the year ending 30 June 2024	3 x Exco meetings by the year ending 30 June 2024	3 x Exco meetings by the year ending 30 June 2024	3 x Exco meetings by the year ending 30 June 2024	Conduct 12 EXCO meetings in the year ending 30 June 2024	there are various interruptions	Councillors are being	Not Achieved

	e comp lianc e with instit ution al and gover nanc e requi reme nts	Perfor manc e Mana geme nt	O Meet ings Coor dinat ed in the year endi ng 30 June 2024							ns in the prog ram me coun cil durin g the perio d in ques tion occa sion ed by heav ily cont este d by elect ion	wor ksh opp ed to bett er han dle mult iple dem and s of their time and ener gy	
CO RP				num ber of Mont hly	Conduct 1x MPAC Meetings	Conduct 1x MPAC Meetings	Conduct 1x MPAC Meetings	Conduct 1x MPAC Meetings	conduct 4x MPAC meetings in the year			Not Achi eved

			MPA C meet ings coor dinat ed and cond ucte d in the year 30 June 2024					ending 30 June 2024			
CO RP			Num ber of Mont hly Portf olio (Tech nical/ Com muni ty/ LED/	Conduct 4x Portfolio (Technical/Co mmunity/Cor porate/Financ e and Planning) Committee Meetings in the year ending 30 Dec 2023	Conduct 5x Portfolio (Technical/Co mmunity/Cor porate/Financ e and Planning) Committee Meetings in the year ending 30 Dec 2023	Conduct 4x Portfolio (Technical/Co mmunity/Cor porate/Financ e and Planning) Committee Meetings in the year ending 30 Dec 2023	Conduct 5x Portfolio (Technical/Co mmunity/Cor porate/Financ e and Planning) Committee Meetings in the year ending 30 Dec 2023	Conduct 18 Portfolio (Technical/Co mmunity/Cor porate/Financ e and Planning) Committee Meetings in the year ending 30 June 2024			Not Achi eved

			Corporate) Committee Meetings Coordinated in the year ending 30 June 2024								
CO RP			Number monthly Labour Forum (LLF) meetings	conduct 1x LLF Meetings in the year ending 30 Sept 2022	conduct 1x LLF Meetings in the year ending 30 Dec 2023	conduct 1x LLF meetings in the year ending 30 March 2024	conduct 1x LLF Meetings in the year ending 30 June 2024	Conduct 4x LLF meetings in the year ending 30 June 2024	Quorum did not meet	Councillors are being worshopped to	Not Achieved

			coordinated and held in the year ending 30 June 202							better handle multiple demands of their time and energy	
CORP			Number of Performance Agreements signed by 31 July 2024 and	6x Pas signed within one Calendar month after the beginning of financial year (31 July 2022) and uploaded on website within 14 days and submitted to MEC within 14 days of	N/A	N/A	N/A	6x Pas(Performance Agreements) signed within one calendar month after the beginning of financial year (31 July 2023) and uploaded on website within 14 days and submitted to MEC within			Not Achieved

			uploaded on website and submitted to MEC by legislative timeframe	approval (14 Aug 2022)				14 days of Approval(14 Aug 2023)			
KPA 5: Cross Cutting											
COM	To provide services to the community in developing a Cem	Provision of Greening & Gardening in municipal and public areas	Monitoring maintenance of municipal Public	4x Quarterly Progress Report for Municipal Public Amnetie, Public Space, Parks and cemeteries for the year ending 30 June 2024	1x Quarterly Progress Report for Municipal Public Amnetie, Public Space, Parks and cemeteries for the year ending 30 June 2024	1x Quarterly Progress Report for Municipal Public Amnetie, Public Space, Parks and cemeteries for the year ending 30 June 2024	1x Quarterly Progress Report for Municipal Public Amnetie, Public Space, Parks and cemeteries for the year ending 30 June 2024	1x Quarterly Progress Report for Municipal Public Amnetie, Public Space, Parks and cemeteries for the year ending 30 June 2024			Achieved

	etary plan and maintaining cemeteries in the Urban and Rural Area		amnesties, public open space and parks and cemeteries for the year ending 30 June 2024								
COM	To ensure functional disaster	Fire and other disaster incidents	Monitor the Intervention	4x Quarterly reports on intervention of reported incidents and relief support provided for	1x quarterly reports on intervention of reported incidents and relief support provided for	1x quarterly reports on intervention of reported incidents and relief support provided for	1x quarterly reports on intervention of reported incidents and relief support provided for	1x quarterly reports on intervention of reported incidents and relief support provided for			achieved

	mana geme nt	mana ged effecti vely	on the Repo rted incid ents and the provi sion of the relief supp ort for the year endi ng 30 June 2024	the year ending 30 June 2024	the year ending 30 June 2024	the year ending 30 June 2024	the year ending 30 June 2024	the year ending 30 June 2024			
MM	To regul arly comp ly with	month ly maint enanc e of the	Enfor ce com plian ce on the	4 x Quarterly Maintenance to be conducted on the landfill site in the	1 x maintenance to be conducted on the Landfill site	1 x maintenance to be conducted on the Landfill site	1 x maintenance to be conducted on the Landfill site	1 x Maintenance to be conducted on the Landfill site			achi eved

	licen ce condi tions of landfi ll site	landfill site (Dispo sal site)	main tena nce of the Land fill site in line with the Legis lation requi reme nts for the year endi ng 30 June 2024	year ending 30 June 2024							
P&L ED	To ensur e that the	Effecti ve Monit oring	Date of Adop tion	Adoption of 2023/24 SDF Review by	Appointment of the Service provider and	Appointment Letter and Inception Report	Draft SDF Report	Adoption of Reviewed 2023/24 SDF by Council			achi eved

	Spatial Development Framework is prepared and aligned with LUMS	& Evaluation of Implementation of Spatial Development and Town Planning	of the reviewed 2023/24 SDF by council in the year ending 30 June 2024	Council by 31 May 2024 in the year ending 30 June 2024	Inception Report							
KPA6: Municipal Financial Viability and Management												
MM, CO RP, BT O, CO M, TE CH,	To improve expenditure control	Departmental budget actually spent within dept	Monitor departmental budget actually spent	Not more than 100% of the dept annual budget in the year ending 30 JUNE 2024	Not more than 25% of the dept annual budget	Not more than 25% of the dept annual budget	Not more than 25% of the dept annual budget	Not more than 25% of the dept annual budget				achieved

P&L ED		budge t	agai nst appr oved dept budg et in the year endi ng 30 June 2024								
CO M, CO RP, MM , TE CH	To Deve lop a susta inabl e and effici ent Muni cipal base d on soun d finan	Ensue a financi ally viable munici pality	Num ber of Quar terly repor ts on irreg ular, fruitl ess and unau thori zed	4 x Quarterly Reports On Irregular, Fruitless and unauthorized Expenditure in the year ending 30 June 2024	1 x Report On Irregular, Fruitless and unauthorized Expenditure	1 x Report On Irregular, Fruitless and unauthorized Expenditure	1 x Report On Irregular, Fruitless and unauthorized Expenditure	1 x Report On Irregular, Fruitless and unauthorized Expenditure			achi eved

	cial mana geme nt		expe nditu re in the year endi ng 30 June 2024								
CO RP	To Deve lop a susta inabl e and effici ent Muni cipal base d on soun d finan cial mana geme nt	Munici pality' s Budge t actuall y spent on Workp lace Skills Plan	% of budg et spen t on the WSP for the year endi ng 30 June 2024	100% spending of the budgeted amount on WSP in the year ending 30 June 2024	25% spending on WSP	25% spending on WSP	25% spending on WSP	25% spending on WSP			Achi eved

MM	To effectively manage financial conditional grants	Effective management of grant dependent projects	% of the monthly Grants spent in the year ending 30 JUNE 2024	Spend 100% of the Monthly Grants budget in the year ending 30 JUNE 2024	Spend 25% of the monthly Grants budget	Spend 25% of the monthly Grants budget	Spend 25% of the monthly Grants budget	Spend 25% of the monthly Grants budget			Achieved
TECH	To improve expenditure control/Regular monitoring department	Capital budget actually spent on capital projects identified in	% of Capital budget actually spent on capital projects	100% capital budget to be spend in the year ending 30 June 2024	25% capital budget spent	25% capital budget spent	25% capital budget spent	25% capital budget spent			Achieved

	ntal budg et to curb irreg ular expe nditur e	2022/ 2023 IDP	identi fied in 2023 /202 4 IDP in the year endi ng 30 June 2024								
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ASSESSMENT OF THE PERFORMANCE OF EXTERNAL SERVICE PROVIDERS

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done at user department level. The end user department provides monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

Assessment Key

Assessment	Description
Good (G)	The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract
Satisfactory (S)	The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract
Poor (P)	The service has been provided below acceptable standards.

NB: It must be noted some of the projects are behind schedule not necessarily due to poor delivery by the Service provider but mainly due to delays on the Municipality side emanating from delays in funding, Stakeholder delays or in

5	REF	CONTRACT NUMBER	BID/ QUOTATION NUMBER	APPOINTED BIDDER	RESPONSIBLE DEPARTMENT	DESCRIPTION OF GOODS/SERVICES/PROJECTS	CONTRACT VALUE AS PER CONTRACT	CONTRACT START DATE	CONTRACT END DATE	2023/2024: Assessment of Service Providers Performance
										Previous year performance
1	6/1/353-TECH	15/09/2022	VEEZ MICRO ENTERPRIZES	TECHNICAL DEPARTMENT	APPOINTMENT OF A PANEL OF ELECTRICAL CONTRACTORS FOR ELECTRICAL MAINTANACE FOR A PERIOD OF 36 MONTHS	R3 504 250,34	2022/11/14	2025/11/15		
2	6/1/357-TECH	15/09/2022	UMCEBO WE AFRICA TRADING AND PROJECTS	TECHNICAL DEPARTMENT	APPOINTMENT OF A PANEL OF ELECTRICAL CONTRACTORS FOR ELECTRICAL MAINTANACE FOR A PERIOD OF 36 MONTHS	R2 046 318,56	2022/11/14	2025/11/15		
3	6/1/373-TECH	14/12/2022	KHANYISA CIVILS	TECHNICAL DEPARTMENT	PANEL FOR PLANT HIRE	R8 216 115,00	2023/05/03	2026/05/04		
4	6/1/372-TECH	13/10/2022	BLACK SHEPERD PTY LTD	TECHNICAL DEPARTMENT	PANEL FOR ELECTRICAL ENGINEERIBG CONSULTANTS	R2 987 362,58	2023/03/28	2026/03/29		
5	6/1/372-TECH	14/12/2022	SIKHUMBULAKWENZA TRADING	TECHNICAL DEPARTMENT	PANEL FOR PLANT HIRE	R3 216 356,49	2023/05/03	2026/05/04		
6	6/1/374-TECH	14/12/2022	HARVEST HR CONSULTANTS	TECHNICAL DEPARTMENT	PANEL FOR PLANT HIRE	R2 090 159,50	2023/05/03	2026/05/04		
7	6/1/376-TECH	26/10/2022	BI INFRASTRUCTURE	TECHNICAL DEPARTMENT	PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS FOR DESIGN AND CONSTRUCTION MONITORING OF MIG AND INTERNAL FUNDED PROJECTS.	R1 071 066,57	2023/06/20	2026/06/19		

8	6/1/375-TECH	26/10/2022	DLV PROJECTS	TECHNICAL DEPARTMENT	PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS FOR DESIGN AND CONSTRUCTION MONITORING OF MIG AND INTERNAL FUNDED PROJECTS.	R531 773,20	2023/06/20	2026/06/19	
9	6/1/377-TECH	26/10/2022	MCJ ENGINEERS & PROJECT MANAGERS	TECHNICAL DEPARTMENT	PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS FOR DESIGN AND CONSTRUCTION MONITORING OF MIG AND INTERNAL FUNDED PROJECTS.	R105 231,33	2023/06/20	2026/06/19	
10	6/1/378-TECH	26/10/2022	MGAZIE TRIBE CONSULTANTS	TECHNICAL DEPARTMENT	PANEL OF CIVIL ENGINEERING PROFESSIONAL SERVICE PROVIDERS FOR DESIGN AND CONSTRUCTION MONITORING OF MIG AND INTERNAL FUNDED PROJECTS.	R202 187,43	2023/06/20	2026/06/19	
11	6/1/372-TECH	14/12/2022	MANATTY TRADING CC	TECHNICAL DEPARTMENT	PANEL FOR PLANT HIRE	R56 211 550,15	2023/05/03	2026/05/04	
12	6/1/379-TECH	18/09/2023	MANATTY TRADING CC	TECHNICAL DEPARTMENT	REHABILITATION OF RURAL ROAD IN WARD 1	R4 645 130,60	2023/09/22	2024/06/30	
13	6/1/380-TECH	19/09/2023	DEEZLO TRADING	TECHNICAL DEPARTMENT	REHABILITATION OF RURAL ROAD IN WARD 3	R4 742 106,08	2023/09/22	2024/06/30	
15	6/1/381-TECH	20/09/2023	VEZOKUNGCONO TRADING	TECHNICAL DEPARTMENT	REHABILITATION OF RURAL ROAD IN WARD 6	R5 132 939,50	2023/09/22	2024/06/30	
16	6/1/382-TECH	14/09/2023	SIKHUMBULAKWENZA TRADING	TECHNICAL DEPARTMENT	REHABILITATION OF RURAL ROAD IN WARD 7	R2 164 990,57	2023/09/22	2024/06/30	

17	6/1/383-TECH	15/09/2023	DALEKA TRADING	TECHNICAL DEPARTMENT	REHABILITATION OF RURAL ROAD IN WARD 13	R6 100 000,00	2023/09/22	2024/06/30	
18	6/1/387-TECH	14/12/2022	HGI INVESTMENT	TECHNICAL DEPARTMENT	PANEL FOR PLANT HIRE	R1 585 068,00	2023/05/03	2026/05/04	
19	6/1/397-TECH	16/03/2023	MSHANA CIVILS	TECHNICAL DEPARTMENT	CONSTRUCTION OF EMA-16 GRAVEL ROAD	R0,00	2024/05/09	2024/07/09	
20	6/1/401-TECH	16/03/2023	H&E	TECHNICAL DEPARTMENT	CONSTRUCTION OF ROADS AND STORM WATER RELATED STRUCTURE	R3 491 581,50	2024/05/09	2024/07/09	
21	6/1/402-TECH	16/03/2023	NEAK	TECHNICAL DEPARTMENT	CONSTRUCTION OF ROADS AND STORM WATER RELATED STRUCTURE/ NKANJENI CULVERT	R995 601,72	2024/05/09	2024/07/09	
22	6/1/298-FIN	25/02/2021	MAXIMUM PROFIT RECOVERY	BUDGET TREASURY OFFICE DEPARTMENT	DANNHAUSER MUNICIPALITY'S VALUE ADDED TAX (VAT) REVIEW, APPORTIONMENT PERCENTAGES CALCULATIONS AND VAT RECOVERY FOR A PERIOD OF 3 YEARS	R978 665,30	2021/08/05	2024/07/31	
23	6/1/302-FIN	05/07/2021	INSIDEDATA SOUTH	BUDGET TREASURY OFFICE DEPARTMENT	PROVISION OF BULK PROCESSING, PRINTING, POSTING AND DISTRIBUTION OF MONTHLY STATEMENTS FOR 36 MONTHS	R451 298,23	2021/09/01	2024/08/31	

24	6/1/307 - FIN	19/08/2021	INDWE RISK SERVICES	BUDGET TREASURY OFFICE DEPARTMENT	PROVISION OF SHORT-TERM INSURANCE FOR THE PERIOD OF 36 MONTHS	R3 042 864,50	2022/02/01	2025/01/31	
25	6/1/314 - FIN	24/01/2022	UMHLABA GEOMATICS INC.	BUDGET TREASURY OFFICE DEPARTMENT	GENERAL VALUATION AND PREPARATION OF THE VALUATION ROLL FOR IMPLEMENTATION 1 JULY 2023 AND PREPARATION AND UPDATING OF VALUATION ROLLS FOR THE PERIOD 1 JULY 2023 TO 30 JUNE 2028	R1 485 000,00	2022/08/01	2028/06/30	
26	6/1/368 - FIN	RFQ-1052	SDM CONSULTING (PTY) LTD	BUDGET TREASURY OFFICE DEPARTMENT	ASSETS-AFR CONSULTANT	R529 704,95	2023/03/03	2024/03/02	
27	6/1/292 - COMM	15/10/2020	LOMA BUSINESS ENTERPRISE	COMMUNITY SERVICES DEPARTMENT	DANNHAUSER POUND KEEPER SERVICES FOR A PERIOD OF 3 YEARS	R1 224 000,00	2021/03/31	2024/03/31	
28	6/1/296 - COMM	01/04/2021	KINNO'S MARQUEE AND TARPAULIN HIRE	COMMUNITY SERVICES DEPARTMENT	PROVISION OF BLANKETS, SLEEPING SPONGES, TEMPORAL SHELTERS, PERISHABLES AND RELEVANT ACCESSORIES AS AND WHEN REQUIRED IN THE EVENT OF ANY DISASTER FOR THE PERIOD OF 36 MONTHS	R152 593,47	2021/08/01	2024/07/24	
29	6/1/386 - COMM	24/10/2022	ISIBANI SETHU ENTERPRISE	COMMUNITY SERVICES DEPARTMENT	DESIGN PLAN AND PEGGING OF DURNACOL CEMETERY SITE ON POTION 1/17900	R270 000,00	2023/12/01	2024/02/28	
30			Indalo Development Consultants	PLANNING & LOCAL ECONOMIC DEVELOPMENT DEPARTMENT	GIS software licence and plota				

31	6/1/283 - FIN	15/01/2020	ABACWANINGI BUSINESS SOLUTION	MUNICIPAL MANAGER OFFICE	PROVISION OF INTERNAL AUDIT SERVICES FOR THE PERIOD OF 3 YEARS	R1 926 461,96	2021/02/01	2024/01/31	
32	6/1/390- MM	2023/08/05	ZUMA AND PARTNERS	MUNICIPAL MANAGER OFFICE	PROVISION OF LEGAL SERVICES	R0,00	2024/12/02	2025/02/22	
33	6/1/391- MM	2023/08/06	KRIBASHNI NAIDOO	MUNICIPAL MANAGER OFFICE	PANEL FOR LEGAL SERVICES PROVISION	R0,00	2024/01/15	2025/01/15	
34	6/1/392- MM	2023/08/07	BUTHELEZI VILAKAZI INC	MUNICIPAL MANAGER OFFICE	PANEL FOR LEGAL SERVICES PROVISION	R0,00	2024/01/25	2025/01/25	
35	6/1/393- MM	2023/08/08	NKOSI SABELO INC	MUNICIPAL MANAGER OFFICE	PANEL FOR LEGAL SERVICES PROVISION	R0,00	2024/01/25	2025/01/25	
36	6/1/303 - CORP	14/04/2021	PERFOLENCE	CORPORATE SERVICES DEPARTMENT	SUPPLY AND DELIVERY OF TOILET MATERIAL FOR PERIOD OF THIRTY-SIX MONTH	R203 305,32	2021/11/01	2024/10/31	
37	6/1/359- CORP	17/09/2022	ETHEMBA COMPUTERS AND CONSULTING	CORPORATE SERVICES DEPARTMENT	APPOINTMENT OF PANEL OF ICT MANAGEMENT	R10 891 378,94	2022/12/01	2025/11/30	

38	6/1/360-CORP	17/09/2022	KHANYA AFRICA NETWORKS	CORPORATE SERVICES DEPARTMENT	APPOINTMENT OF PANEL OF ICT MANAGEMENT	R0,00	2022/12/01	2025/11/30	
39	6/1/364-CORP	18/09/2022	TUNIMART TRAVEL AGENCY	CORPORATE SERVICES DEPARTMENT	APPOINTMENT OF PANEL TRAVELING AGENCY	R551 728,19	2022/12/01	2025/11/30	
40	6/1/365-CORP	19/09/2022	GOLI GROUP PTY LTD	CORPORATE SERVICES DEPARTMENT	APPOINTMENT OF PANEL PRINTING SOLUTION	R450 915,00	2023/01/03	2025/01/02	
41	6/1/384-CORP	17/09/2022	INTELLIGENCE EVERYWHERE ENTERPRISES	CORPORATE SERVICES DEPARTMENT	MICROSOFT OFFICE 365 LICENSE RENEWAL FOR A PERIOD OF 12 MONTHS	R579 997,33	2023/12/01	2023/12/31	
42	6/1/394-CORP	17/09/2022	GUDUKA TRADING ENTERPRISE	CORPORATE SERVICES DEPARTMENT	PANEL FOR ICT MANAGEMENT	R2 911 328,00	2024/05/09	2024/05/31	
43	6/1/400-CORP	17/09/2022	KHANYA AFRICA NETWORKS	CORPORATE SERVICES DEPARTMENT	SUPPLY AND DELIVERY OF 24 LAPTOPS	R493 192,13	2024/05/02	2024/05/31	

CHAPTER 5: AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

5.1 Component A: STATEMENT OF FINANCIAL PERFORMANCE

5.1.1 Revenue

In the current financial year, the total revenue per the approved budget was R 242 238 000 after the adjustment budget. The actual revenue collected was R 200 649 309 which is 83 % as compared to the approved budget. The contributing items of revenue are,

Government Grants and subsidies	R 156 916 000
Property Rates	R 44 515 874
Service charges	R 1 967 000
Other Revenue	R 36 992 000
Interest on investments	R 1 848 000

REVENUE			
DESCRIPTION	BUDGET	ACTUAL	PERCENTAGE
	R	R	%
Property rates	44,516,000.00	43,410,762.00	98
Service charges	1,967,000.00	1,349,162.00	69
Investment revenue	1,848,000.00	2,079,830.00	113
Transfer operational & capital	156,916,000.00	147,791,944.00	94
Other own revenue	36,992,000.00	6,017,611.00	16

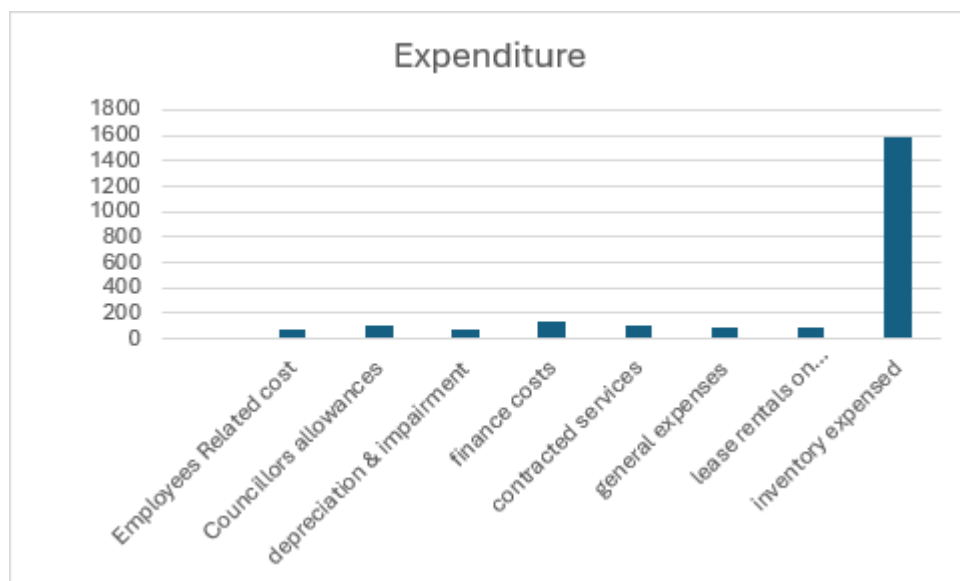
5.1.2 Expenditure

Total actual expenditure in the current year is R 164 956 684.00 whereas the approved budget after adjustments was R 188 070 809.00. The net over expenditure recognised was R 23 114 125.00 based on the approved budget.

The contributing items of operating expenditure are as follows per total expenditure,

a. Employee related costs	-	R 40 859 531
b. Councillors' remuneration		R 12 921 476
c. Depreciation		R 28 161 266
d. Contracted Services		R 45 705 917
e. Finance costs		R 4 564 676
f. General Expenses		R 28 988 509

Expenditure			
Description	Budget	Actual	Percentage
	R	R	
Employees Related cost	53,739,077.00	40,859,531.00	76
Councillors allowances	13,288,731.00	12,921,476.00	97
depreciation & impairment	37,760,000.00	28,161,266.00	75
finance costs	3,500,000.00	4,564,676.00	130
contracted services	45,509,000.00	45,705,917.00	100
general expenses	33,368,976.00	28,988,509.00	87
lease rentals on operating lease	705,025.00	575,489.00	82
inventory expensed	200,000.00	3,179,820.00	1590
Total	188,070,809.00	164,956,684.00	2237



An unauthorised expenditure of R 93 523 712.12 was disclosed in the audited Annual Financial Statements for 2023/24 financial year of which R 24 583 452.00 was for non-cash items and R 4 241 413.00 was for cash items, plus opening balance of 64 654 101.00.

5.1.3 Surplus for the year

The municipality's Statement of Financial Performance reflect a surplus of R8 042 173 2023/24. Comparing to 2022/23 municipality had deficit of R 52 983 648.

5.2 Component B: SPENDING AGAINST CAPITAL BUDGET

5.2.1 Capital Expenditure

The capital approved budget after adjustments was totalling to R 59 550 816.00. The funding for the capital budget was as follows;

a. Municipal Infrastructure Grants	R23 581 000.00
b. Internal Funding	R29 469 816 .00
c. Disaster relief Grant	R6 500 000.00

The total capital expenditure incurred as at 30 June 2024 was R35 337 908.00 which is 59 % expenditure.

5.2.2 Capital Grants

Municipal Infrastructure Grant

The Municipality received the following government transfers and grants during the 2023/24 financial year,

PROJECT	BUDGET	EXPENDITURE
MIG projects	R23 581 000	R 23 581 000

5.3 Component C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.3.1 CASH FLOWS FROM OPERATING ACTIVITIES

RECEIPTS

2024

2023

Receipts from taxpayers rendering of services and other	37 406 749	24 870 894
Grants	148 007 000	137 091 597
Interest income	2 079 830	1 149 864

PAYMENTS

2024

2023

Employee costs	(52 627 750)	(49 395 190)
Suppliers	(80 193 066)	(68 978 997)
Finance costs	(2 353 074)	(2 845 674)
Net cash flows from operating activities	52 339 689	41 892 494

Cash flow from investing activities **2024**

2023

Purchase of Property, Plant and Equipment	(35 337 902)	(43 875 742)
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Cash flows from financing activities	2024	2023
Repayment of other financing activities	(5 195 527)	(5 195 528)
Net cash flows from financing activities	(5 195 527)	(5 195 528)
Net increase /(decrease)in cash and cash equivalents	(11 806 260)	7 178 776
Cash and cash equivalents at the beginning of the year	7 787 844	14 966 620
Cash and cash equivalents at the end of the year	19 594 104	7 787 844

5.4 Component D: OTHER FINANCIAL MATTERS

5.4.1 Financial Position

Current assets as at 30 June 2024

- Inventories R 969 652
- Receivable from non-exchange transactions R 18 748 505
- VAT receivable R 1 829 209
- Receivable from exchange transactions R 966 715
- Cash and Cash equivalents R 19 594 104

Non-current assets

- Investment property R 9 113 000
- Property plant and equipment R 519 718 344
- Heritage assets R 106 000

Liabilities

Current and non-current liabilities for the year end of 30 June 2024,

- a. Other financial liabilities R 18 184 349
- b. Unspent conditional grants R 1 636 173
- c. Provision R 13 005 893
- d. Payables (Suppliers) R 40 690 656
- e. Employees benefit obligation R 8 160 000

Operating Grants

PROJECT	BUDGET	EXPENDITURE	UNSPENT BALANCE
Financial Management Grant	1 950 000	1 950 000	0
Library Grants	2 353 000	2 353 000	0
EPWP	950 000	950 000	0
Disaster Relief Grant	6 500 000	4 863 827	1 636 173

5.3.2 Financial Ratios

Current Ratio

The current ratio is calculated on the basis of current assets divided by current liabilities. The current ratio is a measure of the ability of the Municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the Municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a current ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

Current year (2023/24) ration is 0.8:1 as compared to previous financial year (2022/23) of 0.64:1. The ratio shows regression from the municipality as compared to the previous year. It is very concerning that the municipality cannot afford to pay all its current liabilities.

Cash Coverage ratio

The cash coverage ratio is calculated by cash and cash equivalents divided by total current liabilities. Cash coverage ratio determine whether the municipality can pay off debts .A cash coverage ratio of one means that the municipality has enough cash to pay off current liabilities.

The ratio is 0.39:1 as compared to 2022/23 of 0.14: 1. The municipality cannot pay off debts .

Employee Costs

Employee costs are calculated as a percentage of total operating expenditure.

The Municipality's employee cost ratio showed a decrease from the previous year from 24.8% in 2023/24 to 29.6% in the 2022/23 financial year.

Repairs and Maintenance

Repairs and Maintenance costs are calculated as a percentage of the Municipality's total operating expenditure. This ratio indicates whether sufficient provision is made, in respect of repairs and maintenance for property, plant and equipment.

The ratio is 16.4%, 2023/24 compared to 2022/23 of 6 %, the ration has increased by 10.4 %. It is still above the norm of 8%.

The Municipality's repairs and maintenance ratio showed a increase from the previous year.

Audit Outcome

Dannhauser Municipality 2023/24 Financial year obtained an Unqualified Audit Opinion. The audit outcome of the previous years is as follows:

2022/2023	Unqualified Opinion
2021/2022	Unqualified Opinion
2020/2021	Qualified Opinion
2019/2020	Qualified Opinion

5.5 Component E: IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

5.5.1 Supply Chain Management Policy

- (1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –
 - (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) This Policy applies when the municipality –
 - (a) procures goods or services.
 - (b) disposes of goods no longer needed.
 - (c) selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or

- (d) selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.
- (3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
 - (a) water from the Department of Water Affairs or a public entity, another municipality, or a municipal entity; and
 - (b) electricity from Eskom or another public entity, another municipality, or a municipal entity.

5.5.2 Amendment of the Supply Chain Management Policy

- (1) The municipal manager must –
 - (a) at least annually review the implementation of this Policy; and
 - (b) when the municipal manager considers it necessary, submit proposals for the amendment of this Policy to the council.
- (2) If the municipal manager submits proposed amendments to the council that differs from the model policy issued by the National Treasury, the accounting officer must –
 - (a) ensure that such proposed amendments comply with the Regulations; and
 - (b) report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

5.5.3 Delegation of supply chain management powers and duties

- (1) The council hereby delegates all powers and duties to the municipal manager which are necessary to enable the municipal manager –
 - (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) this Policy;
 - (b) to maximise administrative and operational efficiency in the implementation of this Policy;
 - (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

- (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an accounting officer in terms of sub-paragraph (1).
- (3) The municipal manager may not sub-delegate any supply chain management powers or duties to a person who is not an official of municipality or to a committee which is not exclusively composed of officials of the municipality.
- (4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

5.5.4 Sub-delegations

- (1) The municipal manager may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub-delegation must be consistent with sub-paragraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
 - (a) above R10 million (VAT included) may not be sub-delegated by the municipal manager;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to –
 - (i) Chief Financial Officer;
 - (ii) Director Technical Services; or
 - (iii) Director Corporate Services;
 - (c) not exceeding R2 million (VAT included) may be sub-delegated but only to –
 - (i) Chief Financial Officer;
 - (ii) Other departments Senior Managers; or
 - (iii) a bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the municipal manager a written report containing particulars of each final award made by such official or committee during that month, including–

- (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.
- (4) Sub-paragraph (3) of this paragraph does not apply to procurements out of petty cash.
- (5) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (6) No supply chain management decision-making powers may be delegated to an advisor or consultant.

5.5.5 Oversight Role of Council

- (1) The council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the municipal manager must –
 - (a) (i) Within 30 days of the end of each financial year, submit a report on the implementation of this policy, to the council of Dannhauser Local Municipality; and
 - (ii) Whenever there are serious and material problems in the implementation of this policy, immediately submit a report to the council
- (3) The municipal manager must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

5.5.6 Supply Chain Management Unit

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

AUDIT REPORT

Dannhauser
Local
Municipality

2023-24



AUDITOR-GENERAL
SOUTH AFRICA

Municipality

Report of the auditor-general to the KwaZulu-Natal Provincial

Legislature and the Council on Dannhauser Local Municipality

Report on the audit of the financial statements

Opinion

1 I have audited the annual financial statements of the Dannhauser 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, the annual financial statements present fairly, in all material respects, the financial position of the Dannhauser 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 opinion

3. 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.

4. 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.

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

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified with respect to these matters.

Material impairments — Receivables from non-exchange transactions

7. As disclosed in note 4 to the financial statements, the municipality recognised an allowance of R54,00 million (2022-23: R41 ,91 million) for the impairment of receivables from nonexchange transactions, as the recoverability of these amounts was considered to be doubtful.

Material impairments — Receivables from exchange transactions

8. As disclosed in note 6 to the financial statements, the municipality recognised an allowance of R7,65 million (2022-23: R4,78 million) for the impairment of receivables from exchange transactions, as the recoverability of these amounts was considered to be doubtful.

Material underspending of conditional grants and receipts

9. As disclosed in note 13 to the financial statements, the municipality underspent on its Disaster Relief Grant by R1 ,64 million. The municipality received the funds in the latter part of the financial year, which contributed to the underspending.

Contingencies

10. As disclosed in note 47 to the financial statements, the municipality is the defendant in two litigation matters. The ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP, 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.
14. 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

15. 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.

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

Report on the audit of the annual performance report

17. 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 indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

18. I selected the following material performance indicators related to the basic service delivery key performance area (KPA) presented in the annual performance report for the year ended 30 June 2024. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

Monitoring the waste removal services provision within the municipal area for the year-ending 30 June 2024
Monitor the implementation of the indigent policy for indigent households earning less than R3 800 per month with free basic services, refuse removal in the year ending 30 June 2024
Assessment and repairs of the municipal testing station phase 2 by 30 June 2024
Completion of construction of 1 km Emphongolweni gravel road
Complete the upgrade of the Ramaphosa Access Road in Ward 03 (Phase 1)
Completion of construction of 4,7km Mooi gravel access road
Completion of construction of 2,703km Koppie Allen gravel access road
Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road
Designs and contract documentation for the 2024-25 urban road rehabilitation undertaken in Ward 02
Provision of the electricity infrastructure to 360 (Wards 3, 4, 8 & 12) households by 30 June 2024
Provision of mast lights in Wards (6, 7, 8, 10 & 13)

The number of indigent households earning less than R3 800 per month with access to free basic services (electricity)
Intervention to the disaster/relief shelters for the year ended 30 June 2024
Facilitate and monitor the implementation of human settlement projects for the year ended 30 June 2024
Initiate project management for the provision of the electricity infrastructure to households of the following Wards (1, 2, 5, 6, 7, 9, 10, 11 & 13) by 30 June 2024

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

20. 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.

21. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

22. The material findings on the reported performance information for the selected material indicators are as follows:

Performance indicators not well-defined

23. Various indicators were not clearly defined during the planning process.

Consequently, the indicators are not useful for measuring and reporting on progress against planned objectives.

Indicator	Target	Detail
Provision of mast lights in Wards (6, 7, 8, 10 & 13)	Provision of mast lights in Wards 6, 7, 8, 10 by 30 June 2024	The target is not specific (the reported target does not specify how many mast lights were to be provided in each ward), thus the target is not specific and measurable. The indicator is therefore not well defined
Indicator	Target	Detail
The number of indigent households earning less than R3 800 per month with access to free basic services (electricity)	Number of the indigents granted access to electricity in the year ended 30 June 2024	The target is not specific (the reported target does not specify the number of indigents to be provided with electricity), thus the target is not specific and measurable. The indicator is therefore not well defined
Initiate project management for the provision of the electricity infrastructure to households of the following Wards (1, 2,	Houses to be provided with electrification infill (Wards 1, 2, 5, 6, 7, 9, 10, 11 & 13) in the year ending 30 June 2024	The target is not specific (it does not specify the number of houses that will be provided with electricity infill in each ward), the target is therefore not specific and measurable.

5, 6, 7, 9, 10, 11 & 13) by 30 June 2024		The indicator is therefore not well defined
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No comparison of actual performance against the prior year's performance

24. 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.

Monitoring the waste removal services provision within the municipal area for the year ending 30 June 2024
Monitor the implementation of the indigent policy for indigent households earning less than R3 800 per month with free basic services, refuse removal in the year ending 30 June 2024
Assessment and repairs of the municipal testing station phase 2 by 30 June 2024
Completion of construction of 1 km Emphongolweni gravel road
Complete the upgrade of the Ramaphosa access road in Ward 03 (Phase 1)
Completion of construction of 4,7km Mooi gravel access road
Completion of construction of 2,703km Koppie Allen gravel access road
Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road
Designs and contract documentation for the 2024-25 Urban Road rehabilitation undertaken in ward 02
Provision of the electricity infrastructure to 360 (Wards 3, 4, 8 & 12) households by 30 June 2024
Provision of mast lights in Wards (6, 7, 8, 10 & 13)
The number of indigent households earning less than R3 800 per month with access to free basic services (electricity)
Intervention to the disaster/relief shelters for the year ended 30 June 2024
Facilitate and monitor the implementation of human settlement projects for the year ended 30 June 2024

Initiate project management for the provision of the electricity infrastructure to households of the following Wards (1, 2, 5, 6, 7, 9, 10, 11 & 13) by 30 June 2024

Measures taken to improve performance not reported in the annual performance report
Various indicators

25. 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 to be taken by the accounting officer to address performance gaps and for assessing the effectiveness of strategies to improve future performance against targets.

Indicator	Target
Initiate project management for the provision of the electricity infrastructure to households of the following Wards (1, 2, 5, 6, 7, 9, 10, 11, 13) by 30 June 2024	houses to be provided with electricity infrastructure (Wards 1, 2, 5, 6, 7, 9, 10, 11 & 13) in the year ending 30 June 2024
Facilitate and monitor the implementation of human settlement projects for the year ended 30 June 2024	4 x progress report of the construction of houses in the year ending 30 June 2024
Monitor the implementation of the indigent policy for indigent households earning less than R3800 per month with free basic services, refuse removal in the year ending 30 June 2024	4 x quarterly report on indigent households earning less than R3 800 per month provided with free refuse removal in the year ending 30 June 2024
Intervention to the disaster/relief shelters for the year ended 30 June 2024	20 x shelters constructed for victims of disaster in the year ending 30 June 2024
Assessment and repairs of the municipal testing station phase 2 by the year ending 30 June 2024	Assessment of completion of the municipal testing station in the year ending 30 June 2024

Completion of construction of 1 km Emphongolweni gravel road by 30 June 2024	1 km of Emphongolweni gravel/access road completed by 30 June 2024
Completion of construction of 4,7km Mooi gravel access road by 30 June 2024	4,7km of Mooi gravel/access road completed by 30 June 2024
Completion of construction of 2,703km Koppie Allen gravel access road by 30 June 2024	2,703km of Koppie Allen gravel access road completed by 30 June 2024
Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024	Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024 completion construction
Provision of mast lights in Wards (6, 7, 8, 10 & 13)	Provision of mast lights in Wards 6, 7, 8, 10 & 13 by 30 June 2024

No evidence was provided for targets not achieved

Various indicators

26. Measures aimed at improving performance against targets were not reported. Therefore, 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 measures to improve performance were indeed taken.

Indicator	Target	Reported achievement	Reported measure
Facilitate and monitor the implementation of human settlement projects for the year ended 30 June 2024	4 x progress report of the construction of houses in the year ending 30 June 2024	1 x PSC meetings, 1 x technical committee meetings and 1 x housing forum	Not applicable

		meetings attended for this quarter	
Monitor the implementation of the indigent policy for indigent households earning less than R3 800 per month with free basic services, refuse removal in the year ending 30 June 2024	4 x quarterly report on indigent households earning less than R3 800 per month provided with free refuse removal in the year ending 30 June 2024	0 x report on indigent households earning less than R3 800 per month provided with free refuse removal	Not applicable
Intervention to the disaster/relief shelters for the year ended 30 June 2024	20 x shelters constructed for victims of disaster in the year ending 30 June 2024	0 shelters constructed	Not applicable
Assessment and repairs of the municipal testing station phase 2 by the year ending 30 June 2024	Assessment of completion of the municipal testing station in the year ending 30 June 2024	1 x progress report on external service providers for the municipal testing ground	Not applicable
Completion of construction of 1 km Emphongolweni gravel road by 30 June 2024	1 km of Emphongolweni gravel/access road completed by 30 June 2024	Construction is in progress as per the attached report	Not applicable

Completion of construction of 4,7km Mooi gravel access road by 30 June 2024	4,7km of Mooi gravel/ access road completed by 30 June 2024	86% construction of 4,7km Mooi gravel access road, progress report attached	Not applicable
Completion of construction of 2,703km Koppie Allen gravel access road by 30 June 2024	2,703km of Koppie Allen gravel Access Road completed by 30 June 2024	Construction is in progress as per the attached report	Not applicable
Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024	Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024 completion construction	69% Construction of km Nkosibovu gravel and 0,05 Causeway Road, progress report attached	Not applicable
Initiate project management for the provision of the electricity infrastructure to households of the following Wards (Il 2, 5, 6, 7, 9, 10, 11, 13) by 30 June 2024	Houses to be provided with electricity infrastructure (Wards 1, 2, 5, 6, 7, 9, 10, 11 & 13) in the year ending 30 June 2024	0 houses provided with electricity infills	Not applicable
Provision of mast lights in Wards (6, 7, 8, 10 & 13)	Provision of mast lights in Wards 6, 7, 8, 10 by 30 June 2024	Ox mast lights were provided in wards (6,7,8,10&13) by 30 June 2024	Not applicable

Other matters

27. I draw attention to the matters below.

Achievement of planned targets

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

29. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report.

Basic service delivery

Targets achieved: 26, 66 % Budget spent: 100%		
Key indicators not achieved	Planned target	Reported achievement
Monitor the implementation of the indigent policy for indigent households earning less than R3 800 per month with free basic services, refuse removal in the year ending 30 June 2024	4 x quarterly report on indigent households earning less than R3 800 per month provided with free refuse removal in the year ending 30 June 2024	0 x report on indigent households earning less than R3 800 per month provided with free refuse removal
Intervention to the disaster/relief shelters for the year ended 30 June 2024	20 x shelters constructed for victims of disaster in the year ending 30 June 2024	0 shelters constructed
Facilitate and monitor the implementation of human settlement projects for the year ended 30 June 2024	4 x progress report of the construction of houses in the year ending 30 June 2024	1 x PSC meeting, 1x technical committee meeting and 1x housing forum meeting attended for this uarter.

Assessment and repairs of the municipal testing station phase 2 by the year ending 30 June 2024	Assessment of completion of the municipal testing station in the year ending 30 June 2024	1 x progress report on external service providers for the municipal testing ground
Completion of construction of 1 km Emphongolweni gravel road by 30 June 2024	1 km of Emphongolweni gravel/access road completed by 30 June 2024	Construction is in progress as per the attached report
Completion of construction of 4,7km Mooi gravel access road by 30 June 2024	4,7km of Mooi gravel/access road completed by 30 June 2024	86% construction of 4,7km Mooi gravel access road, progress report attached
Completion of construction of 2,703km Koppie Allen gravel access road by 30 June 2024	2,703km of Koppie Allen gravel access road completed by 30 June 2024	Construction is in progress as per the attached report
Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024	Completion of construction of 0,4km Nkosibovu gravel and 0,05 Causeway Road by 30 June 2024	69% Construction of 0,4 km Nkosibovu gravel and 0,05 Causeway Road, progress report attached
Targets achieved: 26, 66 % Budget spent: 100%		
Key indicators not achieved	Planned target	Reported achievement
Provision of the electricity infrastructure to 360 (Wards 3, 4, 8 & 12) households by 30 June 2024	Number of 360 houses to be provided with electricity infrastructure by 30 June 2024	0 x houses provided with electricity infrastructure

Initiate project management for the provision of the electricity infrastructure to households of the following Wards (1, 2, 5, 6, 7, 9, 10, 11 & 13) by 30 June 2024	houses to be provided with electricity infrastructure (Wards 1, 2, 5, 6, 7, 9, 10, 11 & 13) in the year ending 30 June 2024	0 x houses provided with electricity infills
Provision of mast lights in Wards (6, 7, 8, 10 & 13)	Provision of mast lights in Wards 6, 7, 8, 10 by 30 June 2024	0 x mast lights were provided in Wards (6,7,8,10 &13) by 30 June 2024

Material misstatements

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

Report on compliance with legislation

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

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

Financial statements

35. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, expenditure and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected and the supporting records were provided subsequently resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

36. Money owed by the municipality was not always paid within 30 days, as required by section 65(2) of the MFMA.

37. Reasonable steps were not taken to prevent the unauthorised expenditure of R28,82 million (2022-23: R64,65 million), as disclosed in note 54 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by non-cash items that were not budgeted for as well as overspending on various cash items.

38. Reasonable steps were not taken to prevent the irregular expenditure of R26,40 million (2022-23: R4,20 million) as disclosed in note 56 to the financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by the supply chain management processes not being followed.

39. Reasonable steps were not taken to prevent the fruitless and wasteful expenditure as disclosed in note 55 to the financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was caused by interest and penalties incurred on the late payment of supplier invoices.

Procurement and contract management

40. Some of the invitations for competitive bidding were not advertised for a required minimum period of days, in contravention of SCM Regulations 22(1) and 22(2). This

non-compliance was identified in the procurement processes for the Panel of Contractors for Roads and Stormwater-related projects.

41. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section of the MFMA. This non-compliance was identified in the procurement processes for the appointment of a panel of electrical contractors for electrical maintenance.

Human resource management

42. I was unable to obtain sufficient appropriate audit evidence that appropriate systems and procedures to monitor, measure, and evaluate the performance of staff were developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000.
43. Job descriptions were not established for all posts in which appointments were made, as required by section 66(1)(b) of the MSA and regulation 7(1) of Municipal Staff Regulations.
44. I was unable to obtain sufficient appropriate audit evidence that the municipal manager and senior managers signed performance agreements within the prescribed period, as required by section of the MSA.

Strategic planning and performance management

45. The service delivery budget implementation plan for the year under review did not include monthly revenue projections by source of collection and/or the monthly operational and capital expenditure by vote, as required by section 1 of the MFMA.

Other information in the annual report
--

46. 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 has been specifically reported on in this auditor's report.

47. 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.
48. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
49. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and 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

50. 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.
51. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and material findings on compliance with legislation included in this report
52. Management has not ensured that all data supporting the financial statements and the annual performance report were carefully collated, reviewed and quality-assured to enable credible financial and performance reporting.
53. Leadership and management did not implement effective oversight and adequate monitoring of performance management and compliance with legislation, resulting in material findings on performance reporting and compliance with legislation.

Audit-General

Pietermaritzburg

10 December 2024



SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on 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 the municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

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

Compliance with legislation — selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003 (MFMA)	62(1) Sections:1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii) Sections:32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f) Sections:64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 112(1), 122(2), 126(1)(a) 117, Sections:126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	71 71 71 71 72(a), 720), 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)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations:5, 12(1)(c), 12(3), 13(b), 17(1)(a), 17(1)(b), 17(1)(c), 22(2), 27(2)(a), 27(2)(e) 13(c), 16(a), 19(a), 21 (b), Regulations: 28(1 29(1 29(1 32, 36(1), 38(1)(e), 38(1 Regulations: 38(1 (g)(ii), 38(1)(g)(iii), 43, 44,

	) (f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act 5 of 2023	Sections: 11 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000 (MSA)	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 42, 29(1 346), 34(b), 38(a), 41 (1 41 (1 41 (1 43(2) ions: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a),)(a), 66(1)(b), 67(1)(d), 74(1), 96(b) Sections: 66(1
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	2(1)(e), 2(3)(a), 3(3), 3(4)(b), Regulations: 10(a), 12(1), 15(1)(a)(i), 15(1)(a)(ii) 7(1), 8,
MSA: Municipal Performance Regulations for	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)

Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2),
MSA: Municipal Staff Regulations	Regulations: 7(1),31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2) Regulations: 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

Dannhauser Local Municipality 2024/2025 Audit Action Plan

Audit finding	AR Finding	Component	Nature of finding	Details of the finding	Internal Control Deficiency identified by AG	Recommendations by AG	Actions/Activities required (Actual work to be done)	Person assigned to Task	Deadline Date	Follow up progress Action update	Status
7	Final Audit Report 2024	Finance	Impairment- Receivables from Non exchange transactions	As disclosed in Note 4 to the financial statements, the municipality recognised an allowance of R54,00 million (2022-23: R41,91 million) for the impairment of receivables from no exchange transactions, as the recoverability of these amounts was considered to be doubtful. During the audit of	Management and internal audit did not perform adequate reviews of the financial statement to ensure that the amounts disclosed therein are accurate and agree to the underlying records.	Management and internal audit should ensure that the amounts disclosed in the financial statements agree to the supporting schedules, prior to submitting the financial statements for audit.	Management will perform adequate reviews on the financial statements and process correcting journals to ensure that variances noted are corrected. In future, management will ensure that financial statements are reviewed prior to submission to the auditors.	CFO	31-Mar-25		In progress

				impairment losses, it was noted that the amounts disclosed in the financial statements do not agree with the impairment loss calculations submitted for audit.							
8	Final Audit Report 2024	Finance	Impairment- Receivables from exchange transactions	As disclosed in Note 6 to the financial statements, the municipality recognised an allowance of R7,65 million (2022-23: R4,78 million) for the impairment of receivables from exchange transactions, as the recoverability of these	Management and internal audit did not perform adequate reviews of the financial statement to ensure that the amounts disclosed therein are accurate and agree to the underlying records.	Management and internal audit should ensure that the amounts disclosed in the financial statements agree to the supporting schedules, prior to submitting the financial statements for audit.	Management will perform adequate reviews on the financial statements and process correcting journals to ensure that variances noted are corrected. In future, management will ensure that financial statements are reviewed prior to submission to the auditors.	CFO	31-Mar-25		In progress

				amounts was considered to be doubtful. During the audit of impairment losses, it was noted that the amounts disclosed in the financial statements do not agree with the impairment loss calculations submitted for audit.							
9	Final Audit Report 2024	Community	Underspending of Conditional Grants and Receipts	The Municipality underspent on its Disaster Relief Grant by R1,64 million. The municipality received the funds in the latter part of the financial year, which	Management did not perform monthly reconciliation of the Disaster Relief Grant.	Management should ensure that monthly reconciliations are conducted.		Director-Community Services	2025/02/29		

				contributed to the underspending.							
10	Final Audit Report 2024	Finance	Contingencies	The municipality is the defendant in two litigation matters, the ultimate outcome of these matters could not be determined and no provision for any liability that may result was made in the financial statements.	Management did not disclose the provision on the Financial Statements.	Management should analyse the litigation matters and disclose in the Financial Statement in line with GRAP Standard.		CFO	2025/02/29		
23	Final Audit Report 2024	MM/PMS	Provision of Mast lights in ward (6,7,8,10&13)	The target is not specific (the reported target does not specify how many mast lights were to be provided in each ward), thus the target is not specific and	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator.	Director-Technical	2025/02/29		

				measurable. The indicator is therefore not well defined.	from or obtain an understanding of the measurability of the indicators.						
23	Final Audit Report 2024	MM/PMS	The number of indigent households earning less than R3800 per month with access to free basic services (electricity)	The target is not specific (the reported target does not specify the number of indigents to be provided with electricity), thus the target is not specific and measurable. The indicator is therefore not well defined	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator.	Director-Community Services	2025/02/29		
23	Final Audit Report 2024	MM/PMS	Initiate Project Management for the Provision of the electricity	The target is not specific (it does not specify the number of	Indicator being ambiguous in nature and the absence of	Management should ensure that, going forward, the planned targets are specific and worded	Management will review and develop a clear description for each indicator.	Director-Technical	2025/02/29		

			infrastructure to households of the following wards (1, 2, 5, 6, 7, 9, 10, 11, 13) by 30 June 2024	houses that will be provided with electricity infill in each ward), the target is therefore not specific and measurable. The indicator is therefore not well defined	detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	in such a way that they are aligned to the planned indicator.					
26	Final Audit Report 2024	MM/PMS	Monitor the implementation of the indigent policy for indigent household earning less than R3800 per month with free basic services, refuse removal in the year ending 30 June 2024-Not Achieved	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Community Services	2025/02/29		

					of the indicators.						
26	Final Audit Report 2024	MM/PMS	Intervention to the Disaster/Relief Shelters for year ended 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-P&LED	2025/02/29		
26	Final Audit Report 2024	MM/PMS	Facilitate and monitor the implementation of human settlement projects for year ended 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-P&LED	2025/02/29		

					inability to draw data from or obtain an understanding of the measurability of the indicators.						
26	Final Audit Report 2024	MM/PMS	Assessment and Repairs of the Municipal Testing Station phase 2 by the 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		
26	Final Audit	MM/PMS	completion construction of 1km	No evidence provided for	Indicator being ambiguous in	Management should ensure that, going forward, the	Management will review and develop a clear	Director-Technical	2025/02/29		

	Report 2024		emphongolweni gravel road by 30 June 2024	indicators not achieved	nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	planned targets are specific and worded in such a way that they are aligned to the planned indicator.	description for each indicator. Management will update the POE file to add supporting information.				
26	Final Audit Report 2024	MM/PMS	completion construction of 4,7 km mooi gravel access road by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		

					of the measurability of the indicators.						
26	Final Audit Report 2024	MM/PMS	completion construction of 2,703 Km Koppie Allen gravel access road by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		
26	Final Audit Report 2024	MM/PMS	completion construction of 0,4 km Nkosibovu gravel and 0,05 Causeway road by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to	Management will review and develop a clear description for each indicator. Management will update the POE file to add	Director-Technical	2025/02/29		

					descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	the planned indicator.	supporting information.				
26	Final Audit Report 2024	MM/PMS	Provision of the electricity infrastructure to 360(Ward 3,4,8 & 12) households by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		

26	Final Audit Report 2024	MM/PMS	Initiate Project Management for the Provision of the electricity infrastructure to households of the following wards(1, 2, 5, 6, 7, 9, 10, 11, 13) by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data from or obtain an understanding of the measurability of the indicators.	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		
26	Final Audit Report 2024	MM/PMS	Provision of Mast lights in ward (6,7,8,10&13) by 30 June 2024	No evidence provided for indicators not achieved	Indicator being ambiguous in nature and the absence of detailed technical indicator descriptions results in the inability to draw data	Management should ensure that, going forward, the planned targets are specific and worded in such a way that they are aligned to the planned indicator.	Management will review and develop a clear description for each indicator. Management will update the POE file to add supporting information.	Director-Technical	2025/02/29		

					from or obtain an understanding of the measurability of the indicators.						
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Status

In progress
Resolved
Not resolved

Not yet started

Total finding

Resolved

Not Resolved

In progress

Not yet started

CHAPTER 6: CONCLUSION

During 2023/2024 financial year, the municipality managed to deliver on its developmental mandate of improving the quality of life and providing quality service to its entire community, although there are challenges that municipality encountered, such as high level of crime, unemployment, etc. The Dannhauser Municipality continued to face revenue, resource, and organisational challenges, which the municipality had to deal with in the past year because of the stagnant economic growth and lack of employment opportunities in the municipality, having aged infrastructure leading to patchy service delivery and culture of non-payment for rates and municipal services. Great appreciation goes to the Council of Dannhauser Local Municipality, Members of the Executive Committee, the Portfolio Committees of Council, Management, the Municipal Public Accounts Committee, Audit Committee and the entire community for guidance and the support given to Management and Staff of the municipality during the 2023/2024 financial year period.

Volume II: Annual Financial Statements

Attached on the file will be consolidated to one report once all the comments have been finalised.