



2024/2025

FINAL ANNUAL REPORT

**DR PIXLEY KA
ISAKA SEME
LOCAL
MUNICIPALITY**

Volume I

Vision

Dr Pixley Ka Isaka Seme is a credible, affordable and well developed municipality.

Mission

We will deliver affordable and quality services in accordance with our Integrated Development Plan. This will be achieved through community participation, trained and motivated staff, rapid economic development and a tourism friendly environment.

CONTENTS

CONTENTS.....	2
COMPONENT A: MAYOR'S FOREWORD.....	5
COMPONENT B: EXECUTIVE SUMMARY.....	6
1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW.....	8
1.2. SERVICE DELIVERY OVERVIEW.....	14
1.3. ORGANISATIONAL DEVELOPMENT OVERVIEW.....	15
1.4. STATUTORY ANNUAL REPORT PROCESS.....	20
CHAPTER 2 – GOVERNANCE.....	21
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE.....	21
2.1. 'POLITICAL GOVERNANCE.....	22
2.2. ADMINISTRATIVE GOVERNANCE.....	24
COMPONENT B: INTERGOVERNMENTAL RELATIONS.....	24
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION.....	25
2.3. PUBLIC MEETINGS.....	26
2.5. IDP PARTICIPATION AND ALIGNMENT.....	27
COMPONENT D: CORPORATE GOVERNANCE.....	27
2.6. RISK MANAGEMENT.....	28
2.7. ANTI-CORRUPTION AND FRAUD.....	29
2.8. SUPPLY CHAIN MANAGEMENT.....	29
2.9. BY-LAWS.....	29
2.10. WEBSITE.....	29
CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I).....	29
3.1. WATER PROVISION.....	30
3.2. WASTE WATER (SANITATION) PROVISION.....	31
3.3. eLECTRICITY.....	35
3.3. WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING).....	37
3.5. HOUSING.....	41
3.6. FREE BASIC SERVICES AND INDIGENT SUPPORT.....	46
COMPONENT B: ROAD TRANSPORT.....	47
3.7. ROADS.....	49
3.8. TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION).....	49
3.9. WASTE WATER (STORMWATER DRAINAGE).....	49
COMPONENT C: PLANNING AND DEVELOPMENT.....	53
3.10. PLANNING.....	53
3.11. LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES).....	57
COMPONENT D: COMMUNITY & SOCIAL SERVICES.....	60
3.12. LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC).....	60
3.13. CEMETERIES AND CREMATORIUMS.....	68
3.14. CHILD CARE; AGED CARE; SOCIAL PROGRAMMES.....	71
COMPONENT E: ENVIRONMENTAL PROTECTION.....	72
3.15. environmental protection.....	72

APPENDIX F – WARD INFORMATION.....	154
APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2024/2025.....	160
APPENDIX H – LONG TERM CONTRACTS.....	168
APPENDIX j: DISCLOSURES OF FINANCIAL INTERESTS.....	169
APPENDIX k: REVENUE COLLECTION PERFORMANCE BY SOURCE.....	170
APPENDIX L: CONDITIONAL GRANTS: EXCLUDING MIG.....	171
APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME.....	172
APPENDIX n: CAPITAL programme by project.....	173
APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2024/2025.....	174
APPENDIX P – SERVICE BACKLOGS: SCHOOLS AND CLINICS.....	175
APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION.....	176
APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY.....	177
APPENDIX s – MFMA SECTION 71 DATA STRINGS SUBMITTED.....	177
APPENDIX t – MINIMUM COMPETENCY LEVELS.....	178
APPENDIX u – BBBEE COMPLIANCE.....	179
VOLUME II: ANNUAL FINANCIAL STATEMENTS.....	180

CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

3.16	POLLUTION CONTROL.....	72
3.17	BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION).....	73
	COMPONENT G: SECURITY AND SAFETY.....	74
3.18	TRAFFIC)POLICE.....	74
3.19	FIRE.....	75
3.20	OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER).....	78
	COMPONENT H: SPORT AND RECREATION.....	79
	SPORT AND RECREATION.....	80
	COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES.....	81
3.21	EXECUTIVE AND COUNCIL.....	81
3.22	FINANCIAL SERVICES.....	83
3.23	HUMAN RESOURCE SERVICES.....	84
3.24	INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES.....	90
3.25	PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES.....	90
	COMPONENT J: MISCELLANEOUS.....	90
	COMPONENT K: ORGANISATIONAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.....	95
	CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE.....	125
	(PERFORMANCE REPORT PART II).....	125
	COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL.....	125
4.1	EMPLOYEE TOTALS, TURNOVER AND VACANCIES.....	125
	COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE.....	127
4.2	POLICIES.....	128
4.3	INJURIES, SICKNESS AND SUSPENSIONS.....	130
4.4	PERFORMANCE REWARDS.....	134
	COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE.....	135
4.5	SKILLS DEVELOPMENT AND TRAINING.....	136
	COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE.....	138
4.6	EMPLOYEE EXPENDITURE.....	138
	CHAPTER 5 – FINANCIAL PERFORMANCE.....	140
	COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE.....	140
5.1	GRANTS.....	140
5.2	141	
5.3	BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW.....	143
	COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS.....	145
	CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS.....	145
	COMPONENT A: AUDITOR-GENERAL REPORT.....	145
6.1	AUDITOR general report.....	145
	GLOSSARY.....	146
	APPENDICES.....	149
	APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE.....	149
	PENDIX B – COMMITTEES AND COMMITTEE PURPOSES.....	150
	APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY.....	152
	APPENDIX e – Functionality of Ward Committees 2024 / 2025.....	153

COMPONENT A: MAYOR'S FOREWORD

FOREWORD BY THE EXECUTIVE MAYOR: 2024/2025

It is with great pleasure and privilege to present to you the 2024/2025 annual report covering the period 1 July 2024 to 30 June 2025. The report tracks the Municipality's Operational Performance in the context of the priorities reflected in its approved 2024/2025 Integrated Development Plan (IDP), Budget and Service Delivery Implementation Plan (SDBIP).

As Council we are more determined to provide proper and quality services to our people. We commit ourselves to strengthen our relationship with all our community to unlock all outstanding issues of service delivery.

Our vision outlines how Dr Pixley Ka Isaka Local Municipality is working towards being a credible, affordable and well-developed Municipality. The vision is a tool that will guide us towards being a Municipality that embraces convenience of Fourth Industrial Revolution while at the same time pursuing development in a sustainable manner.

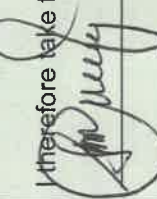
We are steadily winning the battle against the water supply backlog particularly in Ward 7 & 8 as we are currently improving on infrastructure development in those wards.

The need for sufficient skilled and intellectual capacitated residents becomes immediate if we are to realize this vision. As we continue to stimulate economic growth through enhancing different economic stimulants, we are quite hopeful that we will achieve our economic goals.

Through Intergovernmental Relations and District Development Model, we will strengthen our ability for Waste Management Control within our municipality, to deal with illegal dumping and maintain a clean and healthy environment.

We will continue to work with other state institutions to maintain our open spaces and parks, to provide proper plans in terms of retail development, as happened with the establishment of Hilltop shopping complex in Ward 4, so as to provide more jobs for our people.

I therefore take this opportunity to present to you the annual report for the 2024/2025 Financial.



Executive Mayor Cllr BJ Mhlanga

T 1.0.1

COMPONENT B: EXECUTIVE SUMMARY

MUNICIPAL MANAGER'S FOREWORD: 2024/2025

The Dr Pixley Ka Isaka Seme Local Municipality prepared its Annual Report for the 2024/2025 Financial Year in terms of section 121 of the Municipal Finance Management Act (MFMA), Act 56 of 2003 which must, in terms of section 127(2), be tabled at the Municipal Council meeting by the Executive Mayor.

The Municipal Manager must, thereafter, make a report public and invite the local community to submit their representations with regard to issues raised in the report.

This report is totally aligned with the MFMA to promote accountability of our municipality to the local community for the decisions made throughout the year 2024/2025. This report will endeavor to cover broad view of the municipal area with information such as socio-economic profile of the area, the achievements gained in delivering municipal basic services to the community as well as developmental and institutional aspects, including financial performance. The report also covers governance and public participation undertaken by the municipality to ensure involvement of the communities in planning as well as in delivery of services that meet their needs in the period under review.

Furthermore, the report will reflect on the work carried out in 2024/2025 period and provide feedback on performance against targets to various stakeholders including community, government departments and other interested parties. This report also ensures that accountability is upheld.

Despite all efforts taken to improve the financial state of the municipality, one cannot overlook the devastating effects of Covid-19 pandemic that still lingers worldwide. We are still reeling and trying hard to recover, albeit with huge difficulties. Many of our community lost jobs while others took serious cuts in household income. All these have impacted negatively on our collection rate. As a result, we struggled to fund projects with internally generated revenue, had to reduce expenditure of repairs and maintenance and many other critical infrastructure expenditures.

All of these challenges did not hinder the municipality's commitment to ensure that Eskom account is serviced fully on a monthly basis, payment to Department of Water and Sanitation on current account honored and payment arrangement entered into for the old debt with the department, and all thanks to the communities of Dr Pixley Ka Isaka Seme Local Municipality for paying their accounts in order for the municipality to comply with section 65(2)(e) of the MFMA.

The municipality has managed to spend 100% of Municipal Infrastructure Grant allocation for the second time in a row in five years, which is indeed commendable. Although National Treasury had adjusted MIG allocations of all municipalities, with the assistance of our Councilors, the municipality managed to adjust projects by ensuring that the National adjustment was not negatively felt by the community on the ground. All these issues were indicative of determination and commitment to the delivery of basic services to our people.

The work done by our Audit Committee, Performance Audit Committee and Risk Management Committee cannot be overlooked as it has strengthened and improved governance in the municipality. Critical feedback from our Mpumalanga Provincial Treasury and COGTA is always welcomed with a positive attitude of correcting the mistakes identified.

Lastly, it is also necessary to mention that we have tried our best to adhere to the principles of good governance as we believe that good governance is integral to economic growth, the eradication of poverty and for the sustainable development of the community we serve. We table this report in the spirit of Batho-Pele, and this report bears testimony to our commitment for setting platforms to achieving more desired outcomes for the years ahead.

I would like to thank the Executive Mayor, the Speaker of Council, Members of the Mayoral Committee, all Honorable Councillors and the Municipal Staff for their contributions in making 2024/2025 a success.



M A NGCOBO

MUNICIPAL MANAGER

T1.1.1

1.1. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The Municipality continued to perform its functions and responsibilities as prescribed in the Constitution of the Republic of South Africa, Act 108 of 1996. The performance is expressed through the reports on provision of basic service delivery in the period 2024/25 Dr Pixley Ka Isaka Seme Local Municipality continuously to face challenges of service delivery backlog, high unemployment and poverty levels. The municipality experience lack of capital funding and low investor interest, which affect the contribution to the local economy. The preparation of the Integrated Development Plan (IDP) is primarily informed by the situational analysis and priority needs of the community sourced through an effective public participation method. The reliable data on socio-economic conditions in the municipality is sourced from Statistics South Africa (STATSSA) and Socio-Economic Profile (SEP) issued by the provincial Department of Economic Development and Tourism. The latest STATSSA Census 2022 report is not applicable for this reporting period as the information was issued post the adoption IDP 2024/2025	T1.2.1
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MUNICIPAL MANDATE, POWERS AND FUNCTIONS

No	Constitutional Mandate, Powers and Functions
1	Water & Sanitation in terms of Section 84(3) 1(b) & 1(d) of the MSA
2	LED in terms of Schedule 4 & 5 part (b) of the constitution & Chapter 7 (153)
3	Fire Fighting in terms of Section 84(i) (j) schedule 4 part (b)
4	Disaster Management in terms of section 25,42 & 53 of the DMA 57 of 2002

5	The Constitution of Republic of SA Act of 1996 in terms schedule 4& 5 part (b) of the constitution
6	Electricity in terms of section 84(1) (c) except planning of the MSA
7	Waste Management in terms of schedule 4 & part (b) of the constitution
8	Housing in terms of providing land and bulk services
9	FBS – targeted indigent register available
10	Greening programme in terms of Schedule 4 & part (b) of the Constitution Environmental promotion
11	Municipal Planning in terms of MSA Section 84 (1) (a)
12	Municipal Roads in terms of Schedule 4 & part (b) of the Constitution
13	Child Care Facilities in terms of Schedule 5 & part (b) of the Constitution
14	Control of undertaking to sell liquor to the public in terms of Schedule 5 & part (b) of the Constitution
15	Facilities for accommodation, care/ burial of animals in terms of Schedule 5 & part (b) of the Constitution
16	Control of undertaking to sell liquor to the public in terms of Schedule 5 & part (b) of the Constitution
17	Facilities for accommodation, care/ burial of animals in terms of Schedule 5 & part (b) of the Constitution
18	Markets in terms of MSA S84(1)(k)
19	Municipal Abattoirs in terms of Schedule 5 & part (b) of the Constitution
20	Promotion of Tourism In terms of Schedule 4 & part (b) of the Constitution [planning]
21	Local Amenities / Sports facilities / Parks & Recreation in terms of Schedule 5 & part (b) of the constitution
22	Billboards in terms of Schedule 5 & part (b) of the constitution
23	Public Places in terms of Schedule 5 & part (b) of the Constitution

T1.2.2

POPULATION

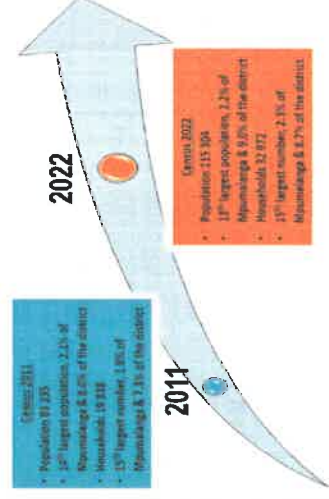
Population Figures

Population		Gender Share		Age Share	
Population number	2022 Census	Average annual population growth	Estimated Number	Male population share	Female population share
2011	83 235	115 304	3.20%	2011-22	2030
				100 200	2022
				48%	52%
				62.60%	9.90%

Source: STATSSA Census 2022 & DETD Socio Economic Profile, revised Jan 2024

The above table indicates that in the population increased from 83 235 in 2011 to 115 304 in 2022. This is an average annual population growth of 3.20. It should be noted that there was an estimate of 100 200-population growth by 2030. The 2022 Census reveal an increase of 115 304 which is already above the 2030 estimate. The male population increased to 48% and 52% female in the 2022 gender share with 62.60 of 0-34 years being youth and 9.90% of elderly (60+yrs).

Population Data and Projections

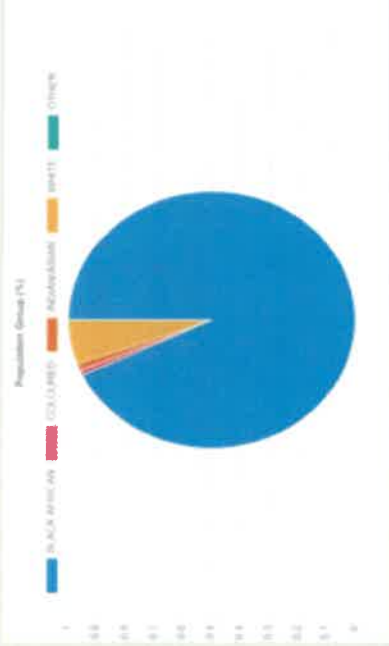


Source: DETD Socio Economic Profile, revised Jan 2024

The above graph provide a summary of population data. The population in the municipality was 83 235 as per the Census 2011 being the 14th largest population which 2.1% of Mpumalanga and 8.0% of the district and In terms of the Census 2022 the population increased to 115 304 which 2.2% of Mpumalanga & 9.0% of the district. In terms of Census 2011 the number of households were 19 838 which is the 15th largest number, 1.8% of Mpumalanga & 7.3% of the district and as per the Census 2022 the number increased to 32 972 and retained as the 15th largest number, 2.3% of Mpumalanga and 8.7% of the district.

Source: Community Survey 2022 (STATSSA)
T1.2.3(a)

POPULATION DISTRIBUTION PER ETHNIC GROUP

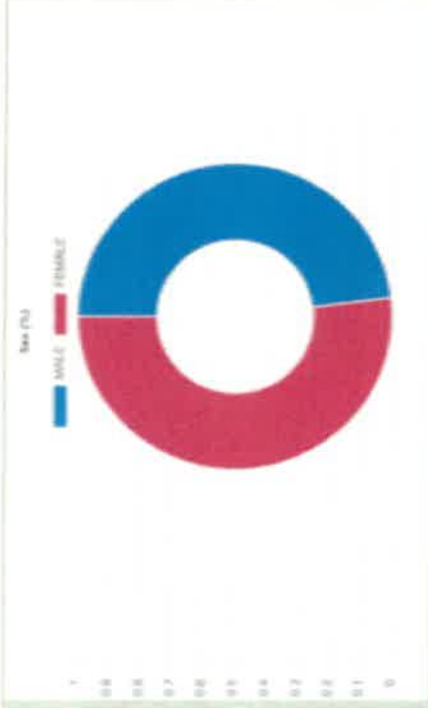


Source: StatsSA: Census 2022

The above graph indicates the population group in the municipality by 2022 that Black African were at 92.9%, Coloured 0.6%, Indian/Asian 0.9%, White 5.6% and other at 0.0% within the municipal area. The Black African are the highest in percentage followed by White then Coloured

Source:STATSSA Community Survey 2022

POPULATION AGE DISTRIBUTION BY GENDER



Source: StatsSA: Census 2022

The above graph indicates population distribution by gender and age group which indicate that Males are 55 362 of which 20 277 are youth and Female 59 942 with 21 091 being youth. The above graph represents age composition for the period 2011 to 2022 in the municipal area. People between the ages 0-14 decreased, 15-64 and 65+ increased.

T1.2.3(b)

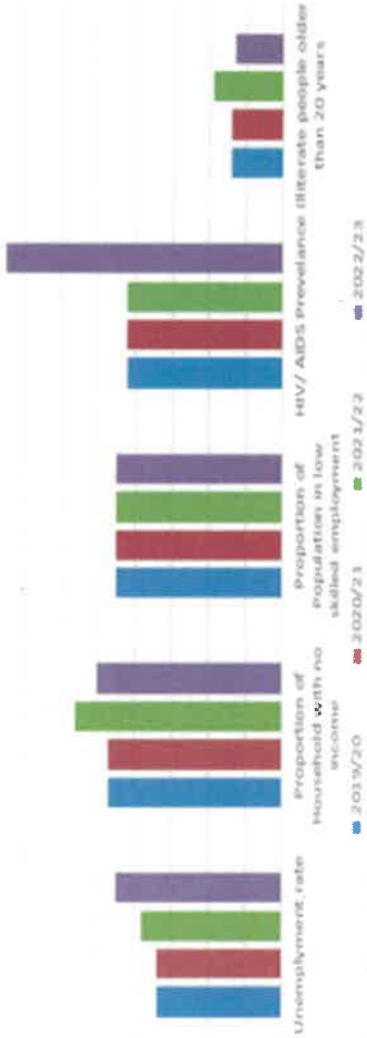
SOCIO-ECONOMIC STATUS

SOCIO-ECONOMIC STATUS

Year	Socio Economic Status (as a %)				
	Unemployment Rate	Proportion of Households with no income	Proportion of Population in Low-Skilled Employment	HIV/ AIDS Prevalence	Illiterate people older than 20 years
2019/20	34%	47 %	45%	42%	14%
2020/21	34%	47%	45%	42%	14%
2021/22	38%	56%	45%	42%	19%
2022/23	45%	50%	45%	75%	13%

Source: STATSSA Census 2022 & DEDT Socio Economic Profile, revised Jan 2024

The above table indicates the Socio Economic Status of the municipality focusing on the unemployment rate, proportion of households with no income, proportion of population in low skilled employment, HIV/AIDS prevalence and illiterate people older than 20 years of age. The Unemployment rate in 2019 to 2021 remained the same at 34% it deteriorated in the year 2021/22 to 38% and 45% in the year 2022/23. The Proportion of households with no income in 2019 to 2021 remained the same at 47% it deteriorated to 56% in the year 2021/22 but decreased to 50% in 2022/23. The Proportion of population in low skilled employment has been steadily at 45 % from the year 2019 to 2023. The HIV/AIDS prevalence remained the same from the year 2019 to 2022 at 42% but deteriorated drastically to 75% in the year 2022/23. The Illiterate people older than 20 years in 2019 to 2021 remained the same at 14% then deteriorated to 19 % in the year 2021/22 then decreased to 13 % in the year 2022/23.



T1.2.5

Source: STATSSA Census 2022 & DEDT Socio Economic Profile, revised Jan 2024

Natural resources
Major Natural Resource
Wetlands at Wakkerstroom Esizameleni
Mahawane Dam, Schuilhoek Dam and Balfour Dam
Amersfoort Dam, Marthinus Wessels Dam

1.2. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

Overall, the Municipality has done well on delivering services to its communities in 2024/2025. The major challenge is the ageing infrastructure and the limited funding to maintain the infrastructure; there are limited resources in terms of personnel to address all backlogs especially operation and maintenance. All capital projects planned in the 2024/2025 financial year funded by Municipal

Infrastructure Grant (MIG) were completed, Water Services Infrastructure Grant (WSIG) and Integrated National Electrification Program projects have not been completed by 30 June 2025, with that of WSIG being multi-year. Water and sanitation and paved road projects were completed before 30 June 2025.

The Municipality has appointed the Civil Engineering Consultant and Contractor for the Upgrading of Amersfoort Wastewater Treatment Works from 1ML to 3ML/day, and the project will be completed in June 2025.

The municipality eradicated all its backlogs for electricity. The current backlogs to ESKOM (ESKOM license areas).
T 1.3.1

COMMENT ON ACCESS TO BASIC SERVICES:				
The Municipality supplies Volksrust and a small part of Daggakraal with electricity, the rest of the Dr. Pixley Ka Isaka Seme is an Eskom area of supply.				
	2022/2023	2023/2024	2024/2025	
HH have access to clean water	88%	88%	94%	
HH have access to basic sanitation within RDP-standards	95.5%	95,5%	95,5%	
HH have access to electricity	92%	92%	92%	
The increase in the backlog is due to the increase in stands which are not yet serviced.				
The Municipal plant and machinery are old and worn out therefore posing a challenge in achieving 100% service delivery to communities. T1.3.3				

1.3. ORGANISATIONAL DEVELOPMENT OVERVIEW
ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Municipality continues to improve since some of the critical positions have been filled and that has added value towards the development of the Organization.

Job Creation = 1 735 in 2024/2025.
A)

	2022/23 NO. OF PERSONS EMPLOYED	2023/24 NO. OF PERSONS EMPLOYED	2024/2025 NO. OF PERSONS EMPLOYED
EPWP	77	143	160
Own funds	150	150	150
MIG projects	178	182	155
CWP	1330	1330	1330
INEP	-	-	11
WSIG	-	-	52
SIYATHUTHUK A	-	-	22
TOTAL	1 735	1805	1880

*MUNICIPAL PROJECTS = 150
 *INEP = 11
 *Siyathuthuka = 22
 * WSIG = 52
 T1.3.A

B) Municipal funded programmes:

Employees: Water Section

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	3	3	0
7-9	6	4	2
10-12	46	36	10
13-15	20	10	10
16-18	0	0	0
19-20	0	0	0
Total	76	54	22

Employees: Sanitation Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	3	3	0
7-9	6	4	2
10-12	46	36	10
13-15	20	10	10
16-18	0	0	0
19-20	0	0	0
Total	76	53	22

Employees: Electricity

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	4	1	3
7-9	0	0	0
10-12	4	4	0
13-15	5	2	3
16-18	0	0	0
19-20	0	0	0
Total	14	8	6

Employees Solid Waste Management

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	0	1
4-6	3	1	2
7-9	1	1	0
10-12	10	7	3
13-15	38	33	5
16-18	0	0	0
19-20	0	0	0
Total	53	42	11

Employees: Public Works, Roads & Storm water Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	0	0	0
7-9	4	4	0
10-12	20	10	10
13-15	23	6	17
16-18	0	0	0
19-20	0	0	0
Total	48	21	37

Employees: Planning

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	5	3	2
7-9	0	0	0
10-12	0	0	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	6	4	2

Employees: LED & IDP Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	2	2	0
7-9	0	0	0
10-12	0	0	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	3	3	0

Employees: Libraries, Archives, Buildings

Job level	Posts	Employees	Vacancies (fulltime)
0-3	2	1	1
4-6	1	1	0
7-9	1	1	0
10-12	4	2	2
13-15	5	3	2
16-18	0	0	0
19-20	0	0	0
Total	13	8	5

Employees: Parks and Cemeteries

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	0	0	0
7-9	0	0	0
10-12	4	3	1
13-15	16	12	4
16-18	0	0	0
19-20	0	0	0
Total	21	16	5

Employees: Waste Disposal

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	0	1
4-6	3	1	2
7-9	1	1	0
10-12	10	7	3
13-15	38	33	5
16-18	0	0	0
19-20	0	0	0
Total	53	42	11

Employees: Fire Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	2	2	0
7-9	0	0	0
10-12	7	6	1
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	10	9	1

Employees: Licensing and Protection Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	1	1	0
7-9	6	5	1
10-12	0	0	0

13-15	0	0	0	0
16-18	0	0	0	0
19-20	0	0	0	0
Total	8	7	1	

Employees: Financial Services

Job level	Posts	Employees	Vacancies (fulltime)
0-3	5	4	1
4-6	8	4	4
7-9	24	23	1
10-12	0	0	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	37	31	6

Employees: Human Resources

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	2	1	1
7-9	1	1	0
10-12	0	0	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	4	3	1

Employees: ICT

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	0	1
4-6	2	2	0
7-9	0	0	0
10-12	0	0	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	3	2	1

Employees: Legal / Records / Administration

Job level	Posts	Employees	Vacancies (fulltime)
0-3	1	1	0
4-6	3	3	0
7-9	2	1	1
10-12	1	1	0
13-15	0	0	0
16-18	0	0	0
19-20	0	0	0
Total	7	5	1

Employees: Project Management

Job level	Posts	Employees	Vacancies (fulltime)
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Fixed term CONTRACT 4

3

1

T 1.5.1

1.4. STATUTORY ANNUAL REPORT PROCESS

N o.	Activity	Timeframe
---------	----------	-----------

1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	September – November
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	November – March
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	April - June
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial departments	

COMMENT ON THE ANNUAL REPORT PROCESS:

The Municipality's Draft Annual Report for 2024/2025 will be submitted to the Auditor General on 31 August 2025, together with the draft Annual Financial Statements.

The draft Annual Report for 2024/2025 will be tabled to Council on the 28th of January 2026, together with the draft Annual Financial Statements, Auditor-General's report and the audit action plan.

During the month of February/March 2026 the Annual Report will be made public and representation/comments will be invited. The report will also be discussed at the Oversight Committee (MPAC) during March 2025 and re-submitted to Council for approval.

T1.7.1.1

CHAPTER 2 – GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Council is the highest decision-making body of the municipality led by the Executive Mayor who has executive powers and assisted by the Members of Mayoral Committee (MMCs) who also serves as Chairpersons of Portfolio Committees for departments assigned to them. The Speaker of Council has the responsibility of presiding over Council meetings, operational matters of public participation and effective functioning of Ward Committees. The Accounting Officer, who is the Municipal Manager, is the head of Administration with two consultative committees i.e. Senior Management (HOD Committee) and the General Management Committee (HODs and Managers). Departments are being headed by Section 56 Managers as per MSA (amended).

T2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The municipality has a Council under the political leadership of a Speaker as the Chairperson of Council Meetings and the Chief Whip. The Executive Mayor as Chairperson of the Mayoral Committee will present items before Council for noting, discussion and adoption. During the first

meeting of Council, an annual schedule of Council meetings is tabled and adopted by Council. All Section 79 and 80 Committees are recommended and approved by Council for effective management of Council issues. Policy issues are further considered by the Policies and By-laws Committee which recommends to Council during the adoption stage. The Mayoral Committee, with the executive powers vested on it can decide on certain issues for administration to execute which in turn the Executive Mayor, representing the Mayoral Committee, tables its report to Council. At the moment, Council have appointed its own Audit Committee. As one of the Oversight Committees, Council has assigned non-executive members to serve in the MPAC to play an oversight role and submit reports to Council.

T2.1.1a

POLITICAL STRUCTURE

EXECUTIVE MAYOR

Cllr B J Mhlanga (as from 02/11/2021)

SPEAKER

Cllr B G Mavuso (as from 02/11/2021)

CHIEF WHIP

Cllr B T A Zulu (as from 02/11/2021)

MAYORAL COMMITTEE

Cllr T V Hlakutse (as from 02/11/2021)

Cllr T H Thwala (as from 02/11/2021)

Cllr N W Msibi (as from 02/11/2021)

T2.1.1b

COUNCILLORS

Dr Pixley Ka Isaka Seme Local Municipality has a total of 21 councillors. (Full list of Councillors attached as "Appendix A"). There are eleven (11) Ward councillors and (10) PR councillors.

“Appendix B” sets out committees and committee purposes.
T2.1.2

POLITICAL DECISION-TAKING

Reports will serve before Portfolio Committees, other Section 79 Committees, TROIKA and Mayoral Committee before it serves to the Council meeting. Resolutions will then be made at the Council meeting.

There are some of the Council Resolutions that are still in process, as listed below. However, Council requested that all council resolutions that are not implementable should be brought back to Council to be rescinded. List of Outstanding Council Resolutions on 30 June 2025.

A201/2024	REQUEST TO PURCHASE A PORTION OF 2000M ² OF THE MUNICIPAL LAND KNOWN AS ERF 1924 IN VUKUZAKHE FOR THE DEVELOPMENT OF A BUSINESS CENTRE BY MEERKAT TECHNOLOGY
A218/2024	APPLICATION FOR WAYLEAVE TO INSTALL FIBRE INFRASTRUCTURE IN DR. PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY BY OMEGA M PROJECTS (PTY) LTD
A379/2024	REPORT ON THE STATUS OF THE SWIMMING POOL IN VOLKSRUST
A359/2024	REQUEST TO ENTER INTO A LEASE AGREEMENT FOR A PORTION OF THE PORTION 62 OF THE FARM VOLKSRUST TOWN AND TOWNLANDS NO.143-HS FOR A RECREATIONAL FACILITY
A364/2024	OFFER TO PURCHASE A MUNICIPAL BUILDING ON ERF NUMBER 3269 (23U LOUIS TRICHARDT STREET) IN VOLKSRUST
A136/2025	REQUEST TO ENTER INTO A LEASE AGREEMENT FOR A MUNICIPAL PROPERTY LOCATED AT THE OLD SASSA BUILDING IN VUKUZAKHE BY MR SONWABILE SICAM FOR A RADIO STATION PURPOSES
A139/2025	RESUBMISSION: REQUEST FOR THE REVISION OF THE PURCHASE PRICE FOR THE MUNICIPAL PROPERTY KNOWN AS ERF 117 IN AMERSFOORT
A149/2025	RESCIND OF COUNCIL RESOLUTION A49/2025: REPORT ON REQUEST FOR WRITE-OFF ON EXISTING ACCOUNTS IN ARREARS

T2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

The municipality's top structure consists of the Municipal Manager, Director Corporate Services, Director Community Services, Chief Financial Officer and Director Infrastructure and Technical Services as the Top Management Committee. In terms of its operations the Top Management of the Municipality meets and discusses strategic issues every Monday of the week or, when an urgent matter is required, a Special Top Management meeting will be convened. All reports from individual departments are always circulated to all directors for comments before being escalated to Committees (Portfolio, Mayoral and other committees of Council) for discussion to ensure synergism and support amongst one another. All Directors are assigned to sit in Section 79, and 80 Committees' and the Top Management shall always address urgent matters from these committees.

The Municipal Manager's functions are contained in the MFMA 60(b): the Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act with political structures; political office bearers and officials of the municipality and any entity under the sole or shared control of the municipality.

T2.2.1

TOP ADMINISTRATIVE STRUCTURE

MUNICIPAL MANAGER

Mr M A Ngcobo (as from 1 March 2023 to date)

DIRECTOR CORPORATE SERVICES

Mr FI Mofokeng (as from 01 September 2023 permanently)

DIRECTOR COMMUNITY SERVICES

Mr MG Nyembe - Permanently appointed as from 01 March 2023)

DIRECTOR TECHNICAL AND ENGINEERING SERVICES

Vacant

CHIEF FINANCIAL OFFICER

Ms N Khuzwayo - Permanently appointed as from 01 March 2023)

T2.2.2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The Municipality is an active participant in the intergovernmental structures such as Munimec, Provincial Coordinating Forum, Municipal Managers Forum, SALGA and District Forums.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality conducts consultative meetings in an effort to disseminate information to members of the community. This in a way gives the Municipality an opportunity to account for the activities performed through such meetings.

The collaboration that the municipal staff, councillors and ward committees used works effectively in promoting participatory democracy and allows members of the community to participate actively in the affairs of the municipality. The consultative meetings within the institution are ward based and address issues as raised by communities in all wards.

T 2.4.

2.3 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

All 11 wards convened the public consultation meetings as arranged which focused on consultation on the Budget- and IDP issues. 132(11 x 12) Ward Committee meetings were held during the 2024/25 financial year.

The municipality has been and is currently involved with community participation izimbizos. These izimbizos ranges from issues of basic service delivery, economy, health, education, youth, disability, gender, women and children, moral regeneration and inter-governmental relations. The primary concern of Dr. Pixley Ka Isaka Seme's community revolves around the issue of the high rate of unemployment.

T2.4.1

2.4 WARD COMMITTEES

The purpose of having Ward Committees is to deepen and enhance community participatory democracy by improving ways and means of making input on the affairs of the municipality.

The role played by Ward Committees is to bring services closer to the communities they serve, to encourage participation of communities and assisting the Ward Councillor in bringing development in the wards concern.

The crucial issues dealt with within the Ward Committee system amongst other things include mechanisms wherein ward committee members assist Councillors in ensuring that basic services are delivered in an effective manner and efficiently.

Ward Committees deal with issues such as the registration of indigent, assisting Councillors to address community needs and ultimately reporting issues affecting the communities (service delivery issues).

Section 59 of the Municipal System Act 2000 (Act 32 Of 2000) outlined duties and powers of Ward Committees that they may make recommendations on any matter affecting its ward through the ward Councillor, the Speaker, the Executive Committee or the Executive Mayor and to the Local Municipal Council. Issues of delivery services are collected through door to door by Ward Committees and through community consultation meetings with Ward Councillors.

T2.4.2

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/ No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	No
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T2.5.1

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

In terms of the SDBIP approved by Council, Corporate Governance was incorporated to enhance good governance and administration with the following priority issues as key matters to be addressed: Performance management; effective and efficient management; alignment of staff establishment, effective HR Policies; legal, council support and administration, labour relations and OHS, inculcating ethical values and good corporate governance and administration; strengthening Monitoring and Evaluation; Managing Stakeholders relations; institutionalizing Batho Pele principles in the municipality; improving feedback to community; ensuring punctual submission of monthly and quarterly reports; ensuring regular portfolio and mayoral committee engagements; ensuring effective Communication strategy; enhance a good records and archiving management system; provision of high quality legal services and guidance to Council, Municipal Manager and departments; to ensure effective implementation of HR Strategy; to provide training and development to employees, Councillors and community; to stabilize labour relations and improve work ethics and to continually monitor the implementation of collective agreements; improve occupational health and safety matters.

T2.6.0

2.6 RISK MANAGEMENT

Note: MFMA S62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

RISK MANAGEMENT

Appropriate risk management will enable the Municipality to both minimize loss and optimize opportunities. The identification and monitoring of risk is the responsibility of the Accounting Officer, but the Chief Financial Officer and Heads of Departments also accept joint responsibility. The Risk Management Unit has coordinated the risk management system, monitoring results and the reporting of risks to the Accounting Officer. The operation of risk mitigation procedures is the responsibility of the Accounting Officer and the Chief Financial Officer with support from the risk owners who are the Heads of Departments. A Risk Management Committee has been established and is functional. Meetings are held quarterly.

SERVICE DEPARTMENT ROLE

The Accounting Officer will coordinate an annual review of the effectiveness of this policy as well as all organizational risks, uninsured and uninsurable risks, together with the key managers in the Municipality. This annual review will take place immediately prior to the development of the annual business and integrated development plans so that it can have due regard to the current as well as the emerging risk profile of the business. Internal Audit will monitor key controls identified in the risk management system as part of the annual audit plan developed in conjunction with the Accounting Officer and approved by the Audit Committee. The Municipality will review the risk

profile in developing their recommendations to the Council regarding the Municipality's risk financing (insurance) policy and strategy.

TOP TWELVE MUNICIPAL RISKS

1. Inability to maximize revenue collection.
2. Inadequate financial management systems and processes
3. Inadequate provision of enabling environment for growth and development
4. Aging infrastructure
5. Performance Management not cascaded to all staff

6. Illegal connections	T2.6.1
7. Illegal occupation of land	
8. Loss of critical skills	
9. High vacancies rate on service delivery positions.	
10. Lack of Business Skills and capacity by Co-operatives and SMME's	
11. Lack of Business Continuity Plan (BCP)	
12. Fraud and corruption	

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Fraud Prevention plan was approved by Council on 28 October 2024.

T2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

All SCM committees have been established and are functioning well. Quarterly reports on the functioning of the SCM are tabled to council for consideration on a quarterly basis. The unit is not yet fully staffed.

2.9 BY-LAWS

The following by-laws were promulgated during the 2024/25 financial year:
Credit Control & Debt collection By-law
Property rates By-law
Tariff By-law

2.10 WEBSITE

The website of the municipality is now functioning with limited challenges. A Facebook page was created for communication between the Municipality and the public as an alternative immediate form of communication platform.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

Customer Care surveys were not conducted as the institution is currently preparing the best tool to conduct such function.

T2.11.1

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

INTRODUCTION

The Municipality supplies Volksrust and a small part of Daggakraal with electricity. The rest of the Dr Pixley ka Isaka Seme is an Eskom area of supply.

	2022/2022	2023/2024	2024/2025
HH have access to clean water	88%	88%	94%
HH have access to basic sanitation within RDP-standards	95.5%	95,5%	95,5%
HH have access to electricity	92%	92%	92%

T3.0.1

COMPONENT A: BASIC SERVICES

This component includes water; wastewater (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

The Municipality strives to ensure access to basic services to all its citizens, as per millennium goal 2030: water, sanitation, roads and electricity - through grants such as Integrated National Electrification Program (INEP), Municipal Infrastructure Grant (MIG) and Water Service Infrastructure Grant (WSIG).

T3.1.1.0

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

The Municipality's aim is to ensure that all citizens in the Dr Pixley Ka Isaka Seme municipal area have access to clean water.

T3.1.1.1

COMMENT ON WATER USE BY SECTOR:

Water demand is mainly for domestic and business use, but Agricultural activities within the municipal jurisdiction are also dominant and demand huge water supply.

Water loss:	2021/22	=	71%
	2022/23	=	35%
	2023/24	=	29%
	2024/25	=	32%

Some bulk water meters were installed. The Business Plan for replacing AC-pipes was submitted to the Department of Water and Sanitation.

T3.1.2.2

The wording “within/more 200m from dwellings” be replaced with “stand pipes” as it is challenging to measure.

Water Service Delivery Levels				Households	
Description		2021/22	2023/24	2024/25	
		Actual	Actual	Actual	No.
<u>Water: (above min level)</u>		No.	No.	No.	No.
Piped water inside dwelling		10656	10656	22927	
Piped water inside yard (but not in dwelling)		0	0	0	
Using public tap (stand pipes) & Other water supply (within 200m)		0	0	0	
<i>Minimum Service Level and Above sub-total</i>		19759	19759		
<i>Minimum Service Level and Above Percentage</i>		88%	90%		
<u>Water: (below min level)</u>					
Using public tap (more than 200m from dwelling) - FARMS		353	373	1471	
Other water supply (more than 200m from dwelling - DAGGAKRAAL		0	0	0	
No water supply					
<i>Below Minimum Service Level sub-total</i>		2434	2434		
<i>Below Minimum Service Level Percentage</i>					
Total number of households*		22546	22546	36634	
* - To include informal settlements				T3.1.3	

Households - Water Service Delivery Levels below the minimum			
Description	Households		
	2023/2024	2024/2025	
	Actual No.	Actual No.	
Formal & Informal Settlements (INCLUDING FARMS)			
Total households	22 546	32 972	
Households below minimum service level	2 434	16 486	
Proportion of households below minimum service level	12,0%	40,0%	
	T3.1.4		

Employees: Water Services					
Job Level	2023/24	2024/25			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalent)s No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	4	3	3	0	0%
7 - 9	6	6	4	2	33%
10 - 12	32	46	36	10	20%
13 - 15	16	20	10	10	50%
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	59	76	54	22	29%
	T3.1.7				

Financial Performance 2024/ 2025: Water Services					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	14 063 254	14 250 275	14 250 275	15 359 273	108%
Repairs and Maintenance	46 763 996	28 601 584	28 601 584	20 423 877	71%
Other (i. Contracted services, Water Purification Laboratory Services	7 488 326	8 688 326	8 688 326	7 880 077	91%
ii. Contractors: Maintenance of Building and Facilities) Water					
Total Operational Expenditure	68 315 576	51 540 185	51 540 185	43 663 227	85%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T3.1.8					

Capital Expenditure 2024/ 2025:				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
P2025L1339:L1601000012 Sewer Reticulation in Amerfoort Town	6 500 000		5 550 473	85%
P202200012 Water Connections in Amersfoort	0		0	
P202500015 Construction of paved roads in Vukuzakhe Ward 1	5 308 224		4 615 847	87%
Refurbishment of sewer pump & VVWTW ward 6	0		0	
P202500013 Rehabilitation of 10m road and Culvert	700 000		700 000	100%
Assets acquisition 2	0		0	
Transport Assets: Procurement of a TLB	1 092 075		0	
Acquisitions: Outsourced	0		0	
Acquisitions: Outsourced	0		0	
P2025000011 UPGRADING OF AMERSFOORT WASTE WATER TREATMENT PL	47 106 000		36 111 115	77%
P202500003 REFURBISHMENT OF BOREHOLES	3 209 870		2 674 991	83%
P202500014 Refurbishment of Volksrust WTW	890 675		774 500	87%
P202500008 CONSTRUCTION OF ROADS IN WARD 3	2 562 497		2 229 769	87%
P202500007 Construction of roads Wards 2	2 024 677		1 879 989	93%
P202500005 Construction of Roads in ward 9 & 11	4 000 000		3 478 161	87%
P202500004 Construction of Toilets in Ward 9 10 & 11	3 393 828		2 924 302	86%
P202500002 Water reticulation in Ward 10	1 944 115		1 571 138	81%
P202500009 Electrification of 414 households in Vukuzakhe A	5 686 000		4 665 179	82%
P202500006 Construction of combo court in Daggakraal	4 000 000		3 478 261	87%
P202500010 Electrification of 500 households in Vukuzakhe B	9 750 000		3 481 250	36%
Supply and delivery of road construction material for ward 4	0		0	
P202500016 Rehabilitation of roads in ward 4	3 500 000		3 594 283	103%
Constru of water&sewer reticu with house conn 0271810056	0		0	
Construction of paved roads in Wakkerstroom ward 5	0		0	
Cost: Acquisitions	0		0	
Cost: Acquisitions	0		0	
Cost: Acquisitions	0		0	
Acquisitions	0		0	
Procurement of service delivery vehicles Energy	450 000		336 980	75%
Procurement of speaker's vehicle	620 000		616 908	100%
Procurement of the audio system for the council chamber	350 000		297 179	85%
Procurement of office chairs	150 000		0	
P202500001 Procurement of a Compactor Truck	4 503 389		4 831 012	107%
Total	107 741 950	icipality ANNUAL 2024/2025	83 809 337	78%
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.				
T3.1.9				

3.2 WASTE WATER (SANITATION) PROVISION

Sanitation Service Delivery Levels				
*Households				
Description	2022/2023		2023/2024	
	Actual No.		Actual No.	2024/2025 Actual No.
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	15 406		15 406	15 406
Flush toilet (with septic tank)	484		484	484
Chemical toilet	0		0	0
Pit toilet (ventilated)	6 613		6 613	6 613
Other toilet provisions (above min. Service level)				
<i>Minimum Service Level and Above sub-total</i>	21 462		21 462	21 462
<i>Minimum Service Level and Above Percentage</i>	94,2%		94,2%	94,2%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	0		0	0
Other toilet provisions (below mi. Service level)	1 084		1 084	1 084
No toilet provisions	0		0	0
<i>Below Minimum Service Level sub-total</i>	1 084		1 084	1 084
<i>Below Minimum Service Level Percentage</i>	5,0%		5,0%	5,0%
Total households	22 546		22 546	32 972
*Total number of households including informal settlements				T3.2.3

Households - Sanitation Service Delivery Levels below the minimum Households			
Description	2022/2023		2024/2025
	Actual No.	Actual No.	Actual No.
Formal & Informal Settlements (INCLUDING FARMS)			
Total households	22 546	22 546	32 972
Households below minimum service level	1084	1084	16486
Proportion of households below minimum service level	5,0%	5,0%	50,0%
			T3.2.4

Employees: Sanitation Services						
Job Level	2023/2024		2024/2025			
	Employees	Posts	Employees		Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0	0%
4 - 6	2	3	3	0	0	0%
7 - 9	5	6	4	2	2	33%
10 - 12	33	46	36	10	10	22%
13 - 15	9	20	10	10	10	50%
16 - 18	0	0	0	0	0	
19 - 20	0	0	0	0	0	
Total	50	76	54	22		29%
T3.2.7						

Financial Performance 2024/ 2025: Sanitation Services (Sewer Reticulation and Sewer Disposal)					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	5 788 309	500 004	500 004	256 000,00	52%
Repairs and Maintenance	0	0	0	0	
Other: Contractors					
: Maintenance of Buildings and Facilities, Operational Costs					
Total Operational Expenditure	5 788 309	500 004	500 004	256 000	52%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T3.2.8					

Capital Expenditure 2024/ 2025: Sanitation Services						R 000
Capital Projects	2024/ 2025					Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Total All						
Project A						
Project B		NONE				
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3.2.9

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Municipality is a licensed electricity provider.

	2022/ 2023	2023/ 2024	2024/ 2025
HH serviced by the Municipality	10 332	10 691	30 274
Connections for Eskom and Farms	14 350	14 800	14 800
Number of HH backlog	2 712	2 216	2 698
	T3.3.1		

The current backlog is **11%**. The Department of Energy (through INEP) is funding the electrification of households.

T3.3.1

Electricity Service Delivery Levels				Households	
Description	2022/23	2023/24	2024/25	Actual No.	Actual No.
	Actual No.	Actual No.	Actual No.		
Energy_ (above minimum level)					
Electricity (at least min. service level) - TOTAL ACCESS	10332	10332			10332
Electricity - prepaid (min. service level)	9 832	10 430			10 430
<i>Minimum Service Level and Above sub-total</i>	9 684	9 684			9 684
<i>Minimum Service Level and Above Percentage</i>	94,0%	94,0%			94,0%
Energy_ (below minimum level)					
Electricity (< min. service level) - BACKLOG	0	0			0
Electricity - prepaid (< min. service level)	2280(Farms)	2216(Farms)			2216(Farms)
Other energy sources	0	0			0
<i>Below Minimum Service Level sub-total</i>	6,0%	6,0%			6,0%
<i>Below Minimum Service Level Percentage</i>	22 546	22 546			22 546
Total number of households					
T3.3.3					

Households - Electricity Service Delivery Levels below the minimum Households				
Description	2022/24	2023/24	2024/25	
	Actual No.	Actual No.	Actual No.	
Formal Settlements				
Total households	9 832	25 915	9 832	
Households below minimum service level	0	0	0	
Proportion of households below minimum service level	0,0%	0,0%	0,0%	
Informal Settlements				
Total households	2 561	2 536	2 536	
Households below minimum service level	83	83	83	
Proportion of households below minimum service level	10%	8,7%	8,7%	
			T3.3.4	

Employees: Electricity Services					
Job Level	2023/2024		2024/2025		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	1	0	0%
4 - 6	3	4	4	1	25%
7 - 9	0	0	0	0	
10 - 12	3	4	4	0	0%
13 - 15	3	5	2	3	60%
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	10	14	11	4	29%

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

T3.3.6

Financial Performance 2024/ 2025: Electricity Services					
Details	2023/2024	2024/ 2025		R'000	
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	4 499 945	4 357 137	4 357 137	4 368 666	100%
Repairs and Maintenance					
Other : Bulk Purchases Contracted Services and Operational	8 499 996	134 845 007	134 845 007	117 190 289	87%
Total Operational Expenditure	12 999 941	139 202 144	139 202 144	121 558 955	87%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.3.7

Capital Expenditure 2024/ 2025: Electricity Services					R 000
Capital Projects	2024/ 2025				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
		N/A			
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.3.8

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

INTRODUCTION TO WASTE MANAGEMENT

Weekly collection

Collection is done twice per week in Volksrust. Collection in all other areas and all other Administrative Units is done once per week. Daggakraal & farms: no collection but communal collection points will be established. The municipality's collection rate is linked to the approved tariff per financial year. Collection in all urban areas is 100%. Street cleaning and sweeping is done in all towns in central high-density areas from Monday to Friday. Illegal dumping in open fields and street corners is attended to according to a specific fixed schedule.

Incorporating EPWP, CWP, Greening and Cleaning Project employees in our daily refuse removal operations.

Major successes achieved.

1. Appointment of a Waste Management Officer.
2. Boom gate and signpost installation.
3. Placement of 2 x staff members at Volksrust Landfill management
4. Technical Report Assessment have been drafted and submitted for the MIG Funding Model for procurement of a new compactor truck.

Major challenges

1. Limited funds to attend to all the non-compliances of the landfills as required by the relevant statutes. The most urgent non-compliance is the unavailability of fence, weighbridge, machinery and other essential infrastructure.
2. No replacement of permanent staff members who left the institution for various reasons.

3. Vacant and unbudgeted positions and sharing supervising staff in External Admin Units (Wakkerstroom, Perdekop and Amersfoort) with the Department of Technical and Engineering Services.	
4. Continued decrease in staff component as a result of resignation, retirement and other labour related matters.	
5. Uncontrollable and unregistered waste reclaimers at the landfill site	
6. Unlicensed landfill sites	
7. Illegal dumping sites due to the unavailability of waste receptacles in household and breakage of fleet ending up not honouring the collection schedule	
8. Lack of By Laws enforcement and the Waste Management Act	
<u>Progress with waste disposal</u>	
-Machinery (Dozer) for landfill body waste management is being fixed	
The integrated Waste Management Plan that was adopted by Council is currently reviewed.	
Illegal dumping site is being cleared and cleaned weekly.	
Clean up campaigns are now conducted in all administrative units.	
<u>Progress with street cleaning service:</u>	
Street cleaning and sweeping services is conducted from Monday to Friday through EPWP, CWP including the Cleaning and Greening project and Municipal employees.	
T3.4.1	

Households - Solid Waste Service Delivery Levels below the minimum						
Households						
Description	2021/2022		2022/2023		2023/2024	
	Actual		Actual		Actual	
	No		No		No	
Formal Settlements						
Total households	14 943		14 943		14 943	
Households below minimum service level	800		800		800	
Proportion of households below minimum service level	5%		5%		5%	
Informal Settlements						
Total households	6 441		6 441		6 441	
Households below minimum service level	6 441		6 441		6 441	
Proportion of households below minimum service level	100%		100%		100%	
					T3.4.3	

Employees: Solid Waste Management Services					
Job Level	2023/ 2024		2024/ 2025		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	1	1	0	1	0%
4 - 6	0	3	1	2	0%
7 - 9	1	1	1	0	0%
10 - 12	7	10	7	3	10%
13 - 15	32	38	33	5	28%
Total	41	53	42	11	24%

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

T3.4.5

Employees: Waste Disposal and Other Services						
Job Level	2023/2024		2024/2025		Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
	Employees No.	Posts No.	Employees No.			
0 - 3	1	1	0	1	0%	
4 - 6	0	3	1	2	0%	
7 - 9	9	1	1	0	0%	
10 - 12	8	10	7	3	10%	
13 - 15	29	38	33	5	28%	
16 - 18	0	0	0	0	0%	
19 - 20	0	0	0	0	0%	
Total	47	53	42	11	21%	T3.4.6

Financial Performance 2023/2024: Solid Waste Management Services					
Details	2022/2023	2023/2024			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	8 494 956	14 402 871	14 402 871	13 956 562	96%
Repairs and Maintenance	0	11 388 300	11 388 300	11 075 036	97%
Other: Contractors and Operational Costs	682 722	3 376 994	3 376 994	2 977 103	88%
Total Operational Expenditure	9 177 678	29 168 165	29 168 165	28 008 701	96%
Net Operational (Service) Expenditure					
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3:4.7

Financial Performance 2024/ 2025: Waste Disposal and Other Services					
Details	2023/ 2024		2024/ 2025		Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	5 788 309	5 768 408	5 768 408	5 446 500	94%
Repairs and Maintenance					
Other: Contracted Services and Operational Costs		500 004	500 004	258 967	52%
Total Operational Expenditure	5 788 309	6 268 412	6 268 412	5 705 467	91%
Net Operational (Service) Expenditure					
Net expenditure to be consistent with summary table T5.1.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.4.8

Capital Expenditure 2024/2025: Waste Management Services						R' 000
Capital Projects	2024/2025				Total Project Value	
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Total All						
Project A			NONE			
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.4.9	

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

Weekly collection

Collection is done twice per week in Volksrust. Collection in all other areas and all other Administrative Units is done once per week. Daggakraal & farms: no collection. The municipality's collection rate is linked to the approved tariff per financial year. Collection in all urban areas is 100%. Street cleaning and sweeping is done in all towns in central high-density areas from Monday to Friday. Illegal dumping in open fields and street corners is attended in two weeks intervals.

Incorporating EPWP, CWP and Siyathuthuka Project employees in our daily refuse removal operations.

Major successes achieved

Purchase of the Bulldozer to assist in maintaining Landfills.

Major challenges

- Limited funds to fence all the Landfill Sites and improvement of Infrastructure.
- No replacement of permanent staff members who left the institution for various reasons.
- Vacant and unbudgeted positions and sharing supervising staff in External Admin Units (Wakkerstroom and Amersfoort) with the Department of Technical and Engineering Services.

Progress with waste disposal

- All four landfill sites are now licenced, though Wakkerstroom and Perdekop have been licenced as Transfer Stations. The integrated Waste Management Plan was approved by Council but is due for review.

Progress with street cleaning service:

Street cleaning and sweeping services is conducted.
T3.4.10

3.5 HOUSING

INTRODUCTION TO HOUSING

Housing (RDP) is the competency of the Department of human settlements. The Municipality only provide stands/sites and basic services.

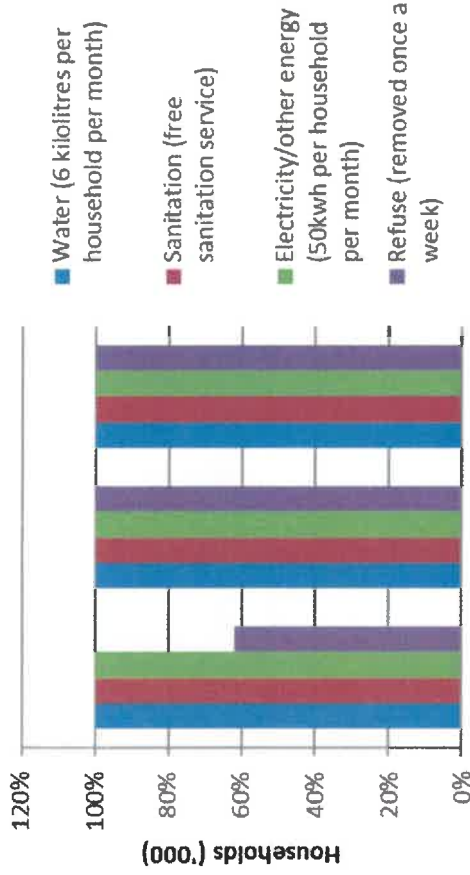
T3.5.1

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Housing Projects & Allocations is the competency of the Department of Human Settlements; the role of the municipality is coordination and support of DHS programmes.

T3.5.7

Free Basic Household Services



T3.6.2

Free Basic Services To Low Income Households									
Number of households									
Households earning less than R3 800 per month									
	Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
		Access	%	Access	%	Access	%	Access	%
2022/23	12749 (HH only)	2 314	100%	2 314	100%	2 314	100%	1 433	62%
2023/24	12748 (HH Only)	2 478	100%	2 478	100%	2 478	100%	2 478	100%
2024/25	12748 (HH Only)	2 611	100%	2 611	100%	2 611	100%	2 611	100%
T3.6.3									

Financial Performance 2024/ 2025: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2024/ 2025			
	Budget	Adjustment Budget	Actual	Variance to Budget
Water				
Waste Water				
Electricity	15 989 529	15 989 520	8 262 024	-94%
Waste Management				
Total subsidy @R340.00	8 357 898	8 357 898	8 184 183	-2%
T3.6.4				

COMPONENT B: ROAD TRANSPORT

This component includes roads; transport; and wastewater (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

The Municipality does not regulate the public transport; however, the Municipality owns the public transport facility, e.g. the Taxi Rank and does not have by-laws to regulate public transport. Matters dealing with public transport are discussed in the transport forum.

T3.7.0

3.6 ROADS

Gravel Road Infrastructure Kilometers 2024/ 2025				
	Total gravel roads (km)	New gravel roads constructed	Gravel roads upgraded to interlock paving/ tar (km)	Gravel roads graded / maintained (km)
2022/2023	193km	0	0km	247km
2022/2023	193km	0	0km	247km
2023/2024	193km	0	0km	311km
2024/2025	193km	0	0km	236km
				T3.7.2

Asphalted Road Infrastructure Kilometres 2024/2025					
	Total asphalted roads (km)	New asphalt interlock paving (km)	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted (km)	Asphalt roads maintained (m²)
2022/2023	97,7km	8,88km	0	0	11 380m²
2023/2024	97,7km	8,88km	0	0	14 808m²
2024/2025	97,7km	3 km	0	0	23 609m²
					T3.7.3

Employees: Public Works, Roads & Stormwater						
Job Level	2022/ 2023		2024/ 2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	1	1	1	0	0%	
4 - 6	0	0	0	0		
7 - 9	4	4	4	0	0%	
10 - 12	13	20	10	10	50%	
13 - 15	14	23	6	17	74%	
16 - 18	0	0	0	0		
19 - 20	0	0	0	0		
Total	32	48	21	27	56%	T3.7.7

Financial Performance 2024/2025: Road Services						
Details	2023/2024	2024/2025				Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual		
Total Operational Revenue (excluding tariffs)						
Expenditure:						
Employees	7 350 296	7 396 989	7 396 989	7 708 751	104%	
Repairs and Maintenance	1 596 345				84%	
Other: Contracted Services and Operational COSTS						
Total Operational Expenditure	8 946 641	364 514	364 514	267 083	73%	
Net Operational (Service) Expenditure	17 893 282	7 761 503	7 761 503	7 975 834	103%	
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						
T3.7.8						

Capital Expenditure 2023/ 2024: Road Services					
Capital Projects	2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Refurbishment of Volksrust WTW	368 051	368 051	320 045	87%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The main access road is not in a good condition, especially the R23. The major challenge is with the internal roads which require rehabilitation and re-surfacing. The Municipality is currently experiencing budget constraints to deal with the roads.

T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

Transport is not regulated by the Municipality. It is regulated by the Association and private bus owners. The input by the municipality is discussed in the transport forum

T3.8.1

3.9 WASTEWATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Stormwater drainage is part of road infrastructure; therefore, no improvement has been made due to budget

constraints and provincial priorities.

T3.9.1

Stormwater Infrastructure 2024/ 2025 Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2021/2022	280	0	0	18km
2022/2023	280	0	0	22km
2023/2024	280	0	0	22km
2024/2025	280	0	0	22km
				T3.9.2

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The Municipality has not constructed any new storm water drainage during 2024/25.

T3.9.9

This component includes roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

The Municipality does not regulate the public transport, however the Municipality owns the public transport facility, e.g. the Taxi Rank and does not have by-laws to regulate public transport. Matters dealing with public transport are discussed in the transport forum.

T3.7.0

3.6 ROADS

Gravel Road Infrastructure				
Kilometers 2024/ 2025				
	Total gravel roads (km)	New gravel roads constructed	Gravel roads upgraded to interlock paving/ tar (km)	Gravel roads graded / maintained (km)
2022/ 2023	193km	0	0km	247km
2023/ 2024	194km	0	0km	311km
2024/ 2025	194km	0	2.4km	236km
				T3.7.2

Asphalted Road Infrastructure					
Kilometers 2024/ 2025					
	Total asphalted roads (km)	New asphalt interlock paving (km)	Existing asphalt roads re-asphalted	Existing asphalt roads re-sheeted (km)	Asphalt roads maintained (m²)
2022/ 2023	97,7km	8,88km	0	0	11 380m²
2023/ 2024	97,7km	8,88km	0	0	14 808m²
2024/ 2025	97,7km	8,88km	0	0	5963,7m2
					T3.7.3

Employees: Public Works, Roads & Stormwater						
Job Level	2023/ 2024		2024/ 2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (asa % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	1	1	1	0	0%	
4 - 6	0	0	0	0		
7 - 9	4	4	4	0	0%	
10 - 12	13	20	10	10	50%	
13 - 15	14	23	6	17	74%	
16 - 18	0	0	0	0		
19 - 20	0	0	0	0		
Total	32	48	21	27	56%	T3.7.7

Financial Performance 2024/ 2025: Road Services					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	7 350 296	7 396 989	7 396 989	7 708 751	104%
Repairs and Maintenance and Operational COSTS	1 596 345				84%
Total Operational Expenditure	8 946 641	364 514	364 514	267 083	73%
Net Operational (Service) Expenditure	17 893 282	7 761 503	7 761 503	7 975 834	103%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.7.8

Capital Expenditure 2024/ 2025: Road Services					
Capital Projects	2024/ 2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
P202500015 Construction of paved raods in Vukuzakhe Ward 1	5 308 224	5 308 224	4 615 847	87%	
P202500005 Construction of Roads in ward 9 & 11	4 000 000	4 000 000	3 478 161	87%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.7.9

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The main access road is not in a good condition, especially the R23. The major challenge is with the internal roads which require rehabilitation and re-surfacing. The Municipality is currently experiencing budget constraints to deal with the roads.

T3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

Transport is not regulated by the Municipality. It is regulated by the Association and private bus owners. The input by the municipality is discussed in the transport forum

T3.8.1

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Stormwater drainage is part of road infrastructure; therefore, no improvement has been made due to budget constraints and provincial priorities.
T3.9.1

Stormwater Infrastructure 2024/ 2025				
Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2021/2022	280	0	0	18km
2022/2023	280	0	0	22km
2023/2024	280	0	0	22km
2024/2025	280	0	0	22km
T3.9.2				

COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

The Municipality has not constructed any new storm water drainage during 2024/25 FY.

T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes planning, and local economic development.

INTRODUCTION TO IDP, PLANNING AND DEVELOPMENT

The Department of Planning and Economic Development is responsible Local Economic Development, Social Development, Spatial Planning, Planning and Building Development / Urban Design, Environmental Resource Management, Human Settlements, Geomatics and Spatial data management and Property Management in line with the Municipal Systems Act, 2000 (Act NO. 32 of 2000) Municipal Staff Regulations No. 890 issued on Gazette No. 45181 of the 20 September 2021

T3.10.0

3.10 PLANNING

INTRODUCTION TO PLANNING

TOWN PLANNING: Town planning within the municipal areas is a core local government function designed to create functional, sustainable, and equitable environments by balancing social, economic, and environmental needs. This responsibility is divided into two main components:

Forward Planning (Strategic/Proactive) to guide future growth - This component involves creating a long-term vision for the municipality to direct spatial, social, and economic development, ensuring that infrastructure is planned to meet future needs. During the period under review, the following key activities took place:

- The municipality reviewed the Spatial Development Framework in 2020, and it is SPLUMA-compliant, which is a key tool that outlines the spatial vision, strategies, and policies to guide land use and infrastructure investment.
- The Municipality developed and adopted a wall-to-wall land use scheme during the year 2022, and it is SPLUMA compliant, which is a legal framework that defines the permitted land use rights for all properties within the municipality.

Development control (statutory/reactive) to regulate land use - This component involves enforcing zoning laws, regulations, and policies to manage, approve, or deny development applications, ensuring that developments are in the right place and meet required standards.

The process is undertaken through assessing land development applications, implementing spatial planning and land use management by-laws, the Spatial Development Framework, and the Land Use Scheme. The section is also responsible for providing technical and administrative support for the identification of land for future development.

BUILDING CONTROL: This is a specialised division, typically operating within the local municipal structures, tasked with enforcing statutory requirements, national regulations, and safety standards for all types of building construction. Its primary mandate is to ensure that building activities comply with the National Building Regulations and Building Standards Act (Act 103 of 1977), as well as municipal by-laws, to ensure a safe and healthy built environment. This ensures that amongst other buildings are structurally sound, safety and evacuation measures are in place, an adequate drainage system, ventilation and ablution facilities, accessible for people living with disability and are energy efficient to heat and light. The unit approved several residential and business buildings and also issued non-compliance notices to buildings that are not in line with the applicable regulations and requirements of the municipality.

HUMAN SETTLEMENT: The unit provides assistance to communities with housing-related matters, especially services that are offered by the Department of Human Settlement. The services range from support and assistance with the identification of housing beneficiaries, implementation of applicable policies on housing, land alienation for human settlement, rental housing, and the housing sector plan. In the period under review, the following activities were undertaken by the unit:

- Council consented through resolution number A131/2021 to the Policy Directive from the Provincial Department of Human Settlements dated 04 February 2021 regarding Allocation of Housing Subsidies within the Mpumalanga Province. The policy directive is to ensure a structured, fair, equitable, transparent, and inclusive housing subsidy application selection and approval process in respect of all completed ownership houses or rental housing units delivered through the National Housing Programmes.
- Council consented through resolution number A132/2021 to the proposed criteria for the beneficiaries to be included in all Human Settlement projects issued by the provincial Department of Human Settlement which intends to assist the needy community members to access housing through government subsidies and also to ensure prioritization of applications according to the allocation criteria set out which prioritize the aged, child and youth headed households, people living with disability and military veterans.
- The Department of Human Settlement developed a municipal IDP Housing Chapter and Council consented to the through resolution A255/2021.
- During the period 2024/2025, the Council approved alienation of over 428 sites at various areas within the municipality's jurisdiction. The alienated sites are predominantly for residential purposes and include those earmarked for business development. The areas in which most residential sites were allocated are in Siyazenzela (newly established township), Vukuzakhe, Vukuzakhe-B (newly established township), and Amersfoort Extension 7.

Key Qualifications for Assistance:

Must be a South African citizen or permanent resident.
Must be 18+ years old and contractually capable.
Must be a first-time government subsidy recipient and first-time homeowner.
Must meet income requirements (generally R0 – R3,500 for free housing; up to R22,000 for gap market support & FLISP).
T3.10.1

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025
Planning application received	0	1	17	17	54	69
Determination made in year of receipt	0	0	16	15	44	55
Applications withdrawn	0	0	0	0	1	2
Applications outstanding at year end	0	1	1	2	9	12
	T3.10.2					

Employees: Planning Services						
Job Level	2022/2023		2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
0 - 3	0	1	1	0		0%
4 - 6	5	5	3	2		40%
7 - 9	0	0	0	0		
10 - 12	0	0	0	0		
13 - 15	0	0	0	0		
16 - 18	0	0	0	0		
19 - 20	0	0	0	0		
Total	5	6	4	2		33%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. * Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T3.10.4						

Financial Performance 2023/ 2024: Planning Services						
Details	2022/ 2023	2023/ 2024				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue (excluding tariffs)		0		0		
Expenditure:						
Employees	3 479 849	2 279 538	2 279 538	1 812 769		80%
Other: Contracted Services, Operational Costs	2 031 360	1 441 750	1 441 750	1 441 750		100%
Total Operational Expenditure	5 511 209	3 721 288	3 721 288	3 254 519		87%
Net Operational (Service) Expenditure						
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						
						T3.10.5

Capital Expenditure 2024/2025: Planning Services					
Capital Projects	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
LED Projects	0	0	0	0%	
Project B	0	0	0	0%	
Project C	0	0	0	0%	
Project D	0	0	0	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.10.6

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

1. The Provincial Department of Human Settlements appointed a Service provider to amend the general plan in respect of Volksrust Extension 6 which will trigger a full-time township establishment which will have ± 2500 new sites and it is envisaged that the project will end in the 2025/2026 financial year.
2. The department has also commissioned a project for the design of the civil engineering infrastructure for the upgrading of informal settlements in Esizameleni and Siyazenzela Township. The Contractor is still on site in Esizameleni and it is envisaged that the project will be completed in the 2024/2025 FY.
3. The alienation of 62 residential sites in Amersfoort behind the Afgri building is in process.
4. The Department of Human Settlement has allocated 500 low-cost housing units which are currently in progress with the construction at Vukuzakhe B, with 40 units which are outstanding, and it is envisaged to be complete in the current financial year. 247 sites have been alienated to middle income earners in Vukuzakhe-B

T3.10.7

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Local Economic Development (LED) can be described as a decentralization mechanism, which allows local, provincial, and national governments and their communities (business, labour and society) to shape their environments, improve competitiveness in their local economies and ensure that infrastructure and services work well for industry and society.

In adopting the LED as a strategy, governments are encouraging people at all levels of society to participate in economic decision making which explores creativity and builds entrepreneurship at all levels of society. Given the challenges that we face in job creation, and poverty eradication, LED builds a platform for bringing all hands available in working towards solutions. It is an acknowledgement that creativity, innovation and involvement of all groups are needed and can contribute to solutions

The municipality has a section responsible to perform functions for local economic development. The function is performed in order to create an enabling environment for local economic development and growth. It coordinates and facilitates business, state institutions, community and non-governmental

organisations to set strategies and programmes focusing on local economic development to improve quality of life for all residents in the municipal area. By adopting LED strategies, people in a particular local economy can work out ways of attracting investment to grow the local economy and to start businesses, which will retain income in their area. Another important reason for adopting the LED as a policy is the push to a democratic society at all levels. Decentralization refers to functions of government being handed over to other tiers or spheres of government, for example, local or provincial government

T3.11.1

COMMENT ON LOCAL JOB OPPORTUNITIES:

Economic Growth and Development

The socio-economic profile of the municipality issued by the Provincial Department of Economic Development & Tourism reaffirm the agriculture sector as the identified main driver of the local economy. It also identifies construction, tourism and transport as other sectors contributing to local economic growth for the reporting period. These sectors result to the creation of job and economic opportunities. The local economy remains strained and resulted in high unemployment and lack of investments within the area.

The communities locally realised some business and job opportunities from other public institutions with working areas or offices within the municipality. The capital infrastructure projects implemented by the municipality SANRAL Routine Roads Maintenance Projects and Eskom Majuba Power Station continued to provide opportunities to locals.

The newly developed complex created long-term jobs and business opportunities for local people. To eradicate poverty.

T3.11.4

Job creation through EPWP* projects		
Year	EPWP Projects	Jobs created through EPWP projects
	No.	No.
2021/2022	2	55
2022/2023	7	77
2023/2024	3	143

2024/2025	6	160
* - Extended Public Works Programme		T3.11.6

Capital Expenditure 2024/2025: Local Economic Development						R' 000
Capital Projects	2024/2025					Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
	0		0	0%		
	0	0	0	0%		
	0	0	0	0%		
	0	0	0	0%		
	0	0	0	0%		
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3.11.7

Employees: Local Economic Development Services & Planning						
Job Level	2023/2024			2024/2025		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
0 - 3	No.	No.	No.	No.	%	
0 - 3	0	1	1	1	100%	
4 - 6	1	1	1	1	100%	
7 - 9	0	0	0	0		
10 - 12	0	0	0	0	0%	
13 - 15	0	0	0	0	0%	
16 - 18	0	0	0	0	0%	
19 - 20	0	0	0	0	0%	
Total	1	2	2	2	100%	
						T3.11.8

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

The Municipality, in collaboration with other state entities and private sector, provided local SMME's, Co-operatives and NGO's trainings and workshops on various aspects. The sessions took place in the period July 2023 to June 2024 which focused amongst other trainings on business & financial management, entrepreneurial skills development, food safety, traders' exemptions, bricklaying, cybersecurity and data protection. The services are intensifying the skills for local people to objectively participate in developing their business interests.

1 841 Job opportunities were created by the Municipality and other Government departments.

The number of jobs created can be broken down as follows:

EPWP	=	160	
*CWP	=	1330	
*MUNICIPAL PROJECTS	=	150	
*MIG	=	155	
*INEP	=	11	
*Siyathuthuka	=	22	
*WSIG	=	52	
TOTAL	=	1 841	

T3.11.11

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

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

INTRODUCTION TO LIBRARIES

Members enjoy to study in the study-room of all libraries because of the pleasant atmosphere that exists.

Not all libraries are equipped with the above. The location of Volksrust Library is not ideal and the maintenance is not good.

Overview

The aim of the library services is to provide the information needs of all sectors of the community by supplying all activities associated with a library service.

Description of the activity

The functions for the provision of library services within the municipality is administered as follows and includes:

The acquisition of library materials including books, newspapers, periodicals, etc.

Processing of acquired materials for convenient use (cataloguing, classifying etc.).

Library promotion and orientation of community and schools introducing the facilities and value of the library to all members of the community, including the blind and visually impaired.

Providing information service by the way of reference works, pamphlets and other related materials.

Provision of information in book format and non-book format (CD; Audio; book; etc.) to the users.

Rendering recreational service to children during school holidays.

Provide photocopier service to the public and scholars.

Provide minilibs for blind and partially sighted in Volksrust public library and also serve as meeting place.

Doing searches for information on the internet when required.

Providing basic computer training.

The top three (3) service delivery priorities are the following:

Project 1: Computers and Internet access

Members are very enthusiastic regarding the provision of computers and internet. The service is rendered free of charge, and is essential to provide the community with information regarding vacant positions and to allow them to submit their C.V's online. Students use the Internet to submit their assignments online as well as for research.

Project 2: Study-room

Members enjoy to study in the study-room because of the pleasant atmosphere. Not all libraries are equipped with the above-mentioned facilities, and a request for a new library for Volksrust was submitted to DCSR.

Project 3: Recreational

Members enjoy reading recreational books, especially the older members.

DSCR has appointed 3 librarians: 1 in Perdekop 1 in Vukuzakhe and 1 in Daggakraal as well as a cyber-cadet in Daggakraal.

Siyathuthuka supplied auxiliary workers who are assisting the library staff on a contract basis.

INTRODUCTION TO COMMUNITY FACILITIES

Overview

Includes all activities associated with the provision of hiring of halls.

Activities

Nature and extent of services provided:

- Maintenance of community halls
- Hiring of halls to the public
- Cleanliness of halls
- Ensuring fair access to public facilities when needed by all stakeholders.

Mandate of Municipality

- Revamping of 2 community Halls (Town Hall and Multi-Purpose Hall)

- Manage Community halls

- Keep all the community halls hygienically and tidy

The following 3 top service priorities were focussed on:

1. Hiring out of halls to the public at a tariff approved by Council.
2. Ensure that community halls and town halls are in a clean and a hygienic state at all times.
3. Ensure that community halls and town halls are maintained.
4. Regular inspections are executed to ensure that the halls are in a hygienic condition prior to hiring.

All Administrative Units have inadequate staff, but normal operations are guided from Volksrust Administrative Unit (anchor town). CWP and EPWP provide assistant employees for cleaning services during working hours. EPWP security control services serves as deterrent to people causing nuisance in the public amenities during the day.

Construction of halls are complete.

The key issues for 2024/2025 are:

- * Lack of tables (Hall furniture)
- * Insufficient personnel and lack of security guards to curb distraction of the municipal facilities
- * No pool- or Services vehicle provided to the caretaker and shortage of tools of trade for general staff.
- *Vandalism and unmaintained ablution facilities

T3.52.1

SERVICE STATISTICS FOR LIBRARIES

YEARLY REPORT FOR PUBLIC LIBRARIES: PIXLEY KA SEME LOCAL MUNICIPALITY

MEMBERSHIP	Jul'24	Aug' 24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan' 25	Feb' 25	Mrt' 25	Apr' 25	May' 25	Jun' 25
VOLKSRUST	207	121	215	215	215	216	217	223	228	230	232	234
VUKUZAKHE	36	36	36	38	38	38	38	38	39	39	39	39
AMERSFOORT	45	45	45	45	45	46	47	47	49	49	49	49
WAKKERSTR OOM	45	45	48	48	48	48	48	53	53	57	58	58
PERDEKOP	108	111	111	112	112	112	88	91	96	96	97	98
DAGGAKRAAL	80	80	80	85	87	87	88	88	90	90	90	90

CIRCULATION OF BOOKS	Jul'24	Aug' 24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan' 25	Feb' 25	Mrt' 25	Apr' 25	May' 25	Jun' 25
VOLKSRUST	262	220	260	309	264	239	307	214	221	249	222	303
VUKUZAKHE	51	49	40	54	48	50	39	54	40	39	52	54
AMERSFOORT	66	29	44	88	70	38	66	39	57	209	155	102
WAKKERSTR OOM	3	5	6	5	5	4	3	5	5	3	4	5
PERDEKOP	282	303	244	315	263	112		381	358	256	370	294
DAGGAKRAAL	58	34	23	85	101	45	65	145	135	52	34	23

BOOK STOCK	Jul'24	Aug' 24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan' 25	Feb' 25	Mrt' 25	Apr' 25	May' 25	Jun' 25
VOLKSRUST	19504	195 04	195 04	195 04	195 04	195 04	195 04	195 04	195 04	195 04	195 04	195 04
VUKUZAKHE	7670	7670	767 0	767 0	7670	767 0	767 0	767 0	767 0	767 0	7670	767 0
AMERSFOORT	17362	173 62	173 62	173 62	173 62	173 62	173 62	173 62	173 62	173 62	173 62	173 62
WAKKERSTR OOM	13360	133 60	133 60	133 60	133 60	133 60	133 60	133 60	133 60	133 60	133 60	133 60
PERDEKOP	7585	7937	7 7	793 7	7937	7 7	793 7	793 7	793 7	793 7	7937	793 7
DAGGAKRAAL	4970	4970	0 0	497 0	4970	0 0	497 0	497 0	497 0	497 0	4970	497 0

FINES PAID	Jul'24	Aug' 24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan' 25	Feb' 25	Mrt' 25	Apr' 25	May' 25	Jun' 25
VOLKSRUST	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
VUKUZAKHE	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
AMERSFOORT	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
WAKKERSTR OOM	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
PERDEKOP	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
DAGGAKRAAL	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
NEW MEMBERS	Jul'24	Aug' 24	Sep' 24	Oct' 24	Nov' 24	Dec' 24	Jan' 25	Feb' 25	Mrt' 25	Apr' 25	May' 25	Jun' 25
VOLKSRUST	2	5	3	0	0	1	1	6	5	2	2	2
VUKUZAKHE	1	0	0	2	0	0	0	0	1	0	0	0
AMERSFOORT	0	0	1	0	0	0	0	0	2	0	0	0

Service statistics for Community Facilities (Halls)				
NUMBER OF BOOKINGS AT COMMUNITY HALLS FOR 2024/2025				
HALL BOOKED	2022/ 23	2023/ 24	2024/ 25	
Volkstrust Town Hall	57	26	20	
Volkstrust Minor Hall	42	41	30	
Vukuzakhe Community Hall	68	69	24	
Vukuzakhe Multi-purpose Hall	28	36	21	
Trade and Training Centre	47	20	05	
Amersfoort Town Hall	12	14	-	
Amersfoort Agricultural Hall	14	13	-	
Ezamokuhle Community Hall	22	18	10	
Perdekop Community Hall	17	23	05	
Wakkerstroom Town Hall	10	14	13	
Siyazenzela Community Hall	12	36	66	
Esizameleni Community Hall	14	15	12	
Daggakraal (Singqobile) Community Hall	12	15	04	
Georgia Gardens	7	01	05	
Daggakraal Community Hall No. 2	12	05	03	
China 2	-	12	20	
Ward 9: Police Station	-	00	02	
Ward 9: Home Affairs	-	00	06	
Ward 11: Community Hall	--	01	05	
TOTAL	374	359	251	

Employees: Libraries; Community Facilities, Other		
	2023/2024	2024/2025

Job Level

	Employees		Posts		Employees		Vacancies (fulltime equivalents)		Vacancies (as a % of total posts)	
	No.		No.		No.		No.		%	
0 - 3	2		2		1		1		50%	
4 - 6	1		1		1		0		100%	
7 - 9	3		1		1		0		100%	
10 - 12	12		4		2		2		50%	
13 - 15	20		5		3		2		25%	
16 - 18	0		0		0		0			
19 - 20	0		0		0		0			
Total	38		13		8		5			

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

T3.52.4

COMMENT ON THE PERFORMANCE OF LIBRARIES

Currently the libraries are run in collaboration with Mpumalanga Department of Culture, Sports and Recreation which has deployed 3 x qualified librarians and 1 x IT Technician (cyber cadet). Siyathuthuka provides 5 general assistants.

T3.52.7

3.13 CEMETERIES AND CREMATORIUMS

INTRODUCTION TO CEMETERIES

Overview

Includes all activities associated with the provision of cemeteries.

Nature and extent of services provided:

- Sustainable cemetery management.

- Extend Perdekop and Vukuzakhe cemetery sites as per the Geotech Report that was conducted in 2016.

SERVICE STATISTICS FOR CEMETERIES

DATE	VOLKSRUST / VUKUZAKH E	WAKKERSTRO OM / ESIZAMELENI	AMERSFOOR T / EZAMOKUHL E	PERDEKOP / SIYAZENZE LA	DAGGA- KRAAL	TOTAL
2020/2021	296	72	112	103	107	690
2021/2022	301	64	113	74	94	646
2022/2023	297	63	111	88	Not available	559
2023/24	327	69	116	98	Not available	610

Dr Pixley ka Isaka Seme Local Municipality | ANNUAL REPORT 2024/2025 75

Employees: Cemeteries					
Job Level	2022/2023		2024/2025		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
	0 - 3	1	1	0	0%
	4 - 6	0	0	0	
	7 - 9	1	0	0	
10 - 12	4	4	3	1	25%
13 - 15	12	16	12	4	25%
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	18	21	16	5	24%
					T3.55.4

Financial Performance 2023/ 2024: Cemeteries and Crematoriums						R'000
Details	2022/ 2023		2023/ 2024		Variance to Budget	
	Actual	Original Budget	Adjustment Budget	Actual		
Total Operational Revenue (excluding tariffs)						
Expenditure:						
Employees				-		0%
Repairs and Maintenance	353 260,00	500 004	500 004	289 819		58%
Other	-					
Total Operational Expenditure	353 260,00	500 004	500 004	289 819		58%
Net Operational (Service) Expenditure						
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T3.55.5

Capital Expenditure 2024/2025: Cemeteries and Crematoriums					
Capital Projects	2024/2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0		0		
Project A					
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T3.55.6

COMMENT ON THE PERFORMANCE OF CEMETERIES:

No capital projects were undertaken. Maintenance of cemeteries is done as per the set schedule, which is maintaining five (5) cemetery sites per month.

No capital budget was allocated for 2024/2025 financial year. The identification of the new cemetery site in Perdekop and environmental studies were concluded, however infrastructure and layout plan still outstanding to ensure full functioning of the site. Number of cemetery site require infrastructural developments while others (Vukuzakhe, Wakkerstroom and Amersfoort require extension to ensure future burial space availability.

T3.55.7

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

Not Applicable to Dr Pixley ka Isaka Seme Local Municipality. The Municipality only considers applications for sites in order to build childcare centres.

T3.56.1

COMPONENT E: ENVIRONMENTAL PROTECTION

3.15 ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

The challenge of Environmental Management and protection is to maintain a balance between the economic needs and environmental protection and conservation.

Key issues pertaining to Environmental Management:

- Protection and rehabilitation of sensitive plants
- Maintenance and protection of Wetlands
- Control of invasive plants and trees
- Conservation of natural resources
- Economic Development with balance to environmental protection.
- The Municipality conducted cleaning campaigns which emphasises on Environmental management and protection.
- Application for permits to keep certain species.

T3.59.0

3.16 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

Pollution Control is the competency of Gert Sibande District Municipality. To protect the environment by providing measures for the prevention of pollution and ecological degradation to promote conservation and secure ecologically sustainable development.

The top activities and service deliveries prioritised are as follows:

-	The municipal area falls within the Highveld Priority Area (HPA), and Council is represented on the said committee.
-	Greenhouse gasses are monitored and emissions mitigated, i.e. outbreak of fires at landfill-sites due to methane.
-	Compliance and monitoring of small industries and illegal burning.
-	Attending the Gert Sibande District Municipality Authority Air Quality Forum which meets bi-monthly as well as the GSDM stakeholders Air Quality Forum quarterly.
T3.59.1	

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:	
Service delivery priorities:	
-	Compliance and monitoring of small industries and illegal burning (reduction of greenhouse gasses).
-	Attend the Gert Sibande District Municipality (GSDM) Authority Air Quality forum.
-	Present education on climate change at farm areas conducted by the Gert Sibande District Environment Health Officers
T3.59.7	

3.17 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE	
Dr Pixley ka Seme Local Municipality (PKSLM) falls within the grassland biome one of the most threatened biomes in South Africa. Many endemic and threatened grassland species occur in the area and of particular significance are the areas around Wakkerstroom and Amersfoort. The Municipality has also been identified in the Mpumalanga bio-diversity area. The areas surrounding particularly Wakkerstroom is characterised by mostly wetlands, a tourist attraction, especially as far as bird viewing is concerned. The following service deliveries are identified:	

- Execution of cleaning-up campaigns, especially at streams that flows into the wetlands.
- Provision of environmental management education to the communities.
- Planting of indigenous trees to beautify the landscape, prevent soil erosion and combat climate warming.
- Eradicating invasive alien plant species

To ensure a rich variety and variability of plants and animals that live in their own environment, emphasis was placed on the following three top service priorities and the outcome thereof:

Outcome

<u>Service delivery priority</u>	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>	<u>2024/25</u>
Planting of trees	03trees	05 trees	1000 trees	02 trees
Grass plantation	0	0	0	0
Number of hectares of grass cut at 2 700 ha		1 800 ha	2700ha	1 800ha
open spaces and parks				

T3.60.1

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY

Security Services within the Municipality was outsourced to a private company which is contracted to the Municipality on a 36-month contract. The security company protect or safeguard all council assets within Dr Pixley ka Isaka Seme Local Municipality 24 hours per day. Their service is to ensure that no assets get lost or stolen, however when the Community Services Department receives a complaint of stolen goods from other Department's offices, the security company attends to the complaint and address it as urgent and report to the relevant Department.

Improve security to patrol on our cable line which is under serious threat due to new crime of cable theft that affect the provision of electricity services.

T3.65.0

3.18 (TRAFFIC)POLICE

INTRODUCTION TO TRAFFIC POLICE

Effectiveness and efficiency of traffic officers in terms of addressing issues of Law Enforcement within Dr Pixley ka Isaka Seme Local Municipality is an ongoing process. Currently the service of law enforcement and awareness is being provided in all administrative units. The achievements are effective in terms of reducing the number of accidents in the area and maintain law and order.

T3.65.1

Financial Performance 2024/ 2025: Traffic Department					
Details	2023/ 2024	2024/ 2025			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees and Councillors	4 170 243	3 678 547	3 678 547	9 412 068	256%
Repairs and					
Maintenance: Vehicles	191 588	8 150 000	8 150 000	7 864 011	96%
Machinery & Equipment Repairs					
Other: Operation Costs					
Total Operational Expenditure	4 361 831	11 828 547	11 828 547	17 276 080	146%
Net Operational (Service) Expenditure					
T3.65.2.1					

3.19 FIRE

INTRODUCTION TO FIRE SERVICES

The Municipality has a Sub Disaster Management Centre which accommodates Fire Brigade Services as their station in Dr Pixley ka Isaka Seme Local Municipality to render effective and efficient service delivery to the community. Municipality has no fire engine truck to fight structural fires which has a negative impact on fire service delivery.

Currently the fire services are operating with one Chief Fire Officer, six fire fighters and 1 vacant post, no volunteer fire fighters.

Challenges are that the other Administrative Units do not have any personnel rendering fire services. In case of any incident, officials respond from Volksrust Administrative Unit to attend to any incident in the other Administrative Units.

T3.66.1

Metropolitan Fire Service Data					
Details		2022/ 2023	2023/ 2024	2024/ 2025	
		Actual No.	Actual No.	Actual No.	
1	Total fires attended in the year	182	217	101	
2	Total of other incidents attended in the year	127	103	97	
3	Average turnout time - urban areas	30min	30min	30min	
4	Average turnout time - rural areas	60min	60min	60min	
5	Fire fighters in post at year end	6	6	6	
6	Total fire appliances at year end	2	4	4	
7	Average number of appliance off the road during the year	1	9	9	
					T3.66.2

Employees: Fire Services						
Job Level	2022/ 2023		2024/ 2025			
Fire Fighters	Administrators	Employees	Posts	Employees	Vacancies (fulltime equivalent(s)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
Chief Fire Officer & Deputy						
Other Fire Officers						
0 - 3	1	1	1	1	0	0%
4 - 6	1	2	2	2	0	0%
7 - 9	0	0	0	0	0	
10 - 12	7	7	7	6	1	14%
13 - 15	0	0	0	0	0	
16 - 18	0	0	0	0	0	
19 - 20	0	0	0	0	0	
Total	9	10	9	9	1	10%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. * Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.						
T3.66.4						

Financial Performance 2024/ 2025: Fire Services					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
(excluding tariffs)					
Expenditure:					
Fire fighters	16 500 025,00	3 678 547,00	3 678 547,00	9 412 068,04	256%
Other employees					0%
Repairs and Maintenance					0%
Other: Contracted Services and Operational Costs	17 094 628,00	8 150 000,00	8 150 000,00	7864011	96%
Total Operational Expenditure	33 594 653,00	11 828 547,00	11 828 547,00	17 276 079,51	146%
Expenditure					
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.66.5

Capital Expenditure 2024/ 2025: Fire Services					
Capital Projects	Budget	2024/ 2025			Total Project Value
		Adjustment Budget	Actual Expenditure	Variance from original budget	
Procurement of a fire engine	-	0	0		
Project A	0	0	0	0%	
Project B	0	0	None	0%	
Project C	0	0	0	0%	
Project D	0	0	0	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					
					T3.66.6

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The Fire Services consists of one Chief Fire Officer and six Fire Fighters and one vacant position, no volunteers for Fire Fighters . Firefighter team is only operating with one fire fighter bakkie, and rescue response bakkie which has a negative impact to service delivery.

The priority of Fire Services is to make sure that fighting fires and attending incidents in Dr Pixley Ka Isaka Seme Local Municipality is effective and the community is safe.

T3.66.7

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

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

There are no By-Laws regarding animal licensing and control therefore this function is not being performed in the Municipality. The control of public nuisances is performed by the Public Safety Section, but since the By-Laws are not in place, this function is also not performed as required.

Disaster Management is performed by the fire services; the Municipality does not have disaster management employees. In 2024/2025 financial year no funds were budgeted and located for Disaster Management, this function is a District competency. The Municipality is depending to the District and Province in terms of funding the disasters. Gert Sibande District Municipality built a Sub-District Fire and Disaster Management Centre in Volksrust. The Centre is utilized to accommodate Fire Services and Traffic Services to operate all disaster management operations.

T3.67.1

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

During 2024/2025 financial year, no disasters were declared for the area.

T3.67.2

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL; CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

The Municipality did not experience any disaster during 2024/2025.

T3.67.7

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

The Municipality has a challenge in facilitating the support for youth to be able to safely and effectively participate in sports and cultural activities. The major challenge faced is inadequate and dilapidated sport facilities and community parks.

Key issues pertaining to Sports and Recreation includes among others the following:

- Combo courts that were constructed they are not up to the acceptable standards especially Ward 3 and 1. The one in ward 3 located at the community hall is not even utilised by community

Challenge:

- Vandalism due to the unavailability security
- No control of access
- No availability of water, electricity and changing rooms
- No funds to maintain the facilities

T3.68.0

SPORT AND RECREATION

Financial Performance 2024/ 2025: Sport and Recreation					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)	0				
Expenditure:	0	-	-	-	0%
Employees	0	-	-		
Repairs and Maintenance	0	-	-	-	0
Other: Contracted Services	55 903,00				0%
Total Operational Expenditure	55 903,00				0%
Net Operational (Service) Expenditure					
					T3.68.4

Capital Expenditure 2024/ 2025: Sport and Recreation					
Capital Projects	2024/ 2025				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Capital Projects for Sport and Recreation	N/A	N/A	N/A	N/A	N/A
					T3.68.5

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

The Municipality has a challenge in facilitating the support for youth to be able to safely and effectively participate in sports and cultural activities. The major challenge faced is inadequate and dilapidated sport facilities and community parks.

Key issues pertaining to Sports and Recreation includes among others the following:

1.	Vandalism of existing facilities
2.	Poor maintenance of all sport ground
3.	The municipality have no control of these sports facility and access to many is not controlled
<u>Challenge:</u>	
1.	Existing soccer pitches in all administrative units are experiencing massive vandalism
2.	The necessary facilities are not there, such as ablutions, change rooms and water or electricity.
T3.68.6a	

Capital Expenditure 2024/ 2025: Disaster Management					R 000
Capital Projects	2024/ 2025				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All					
			NONE		
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.68.7

COMPONENT 1: CORPORATE POLICY OFFICES AND OTHER SERVICES	
This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.	
3.21	EXECUTIVE AND COUNCIL
This component includes: Executive office (mayor; councilors; and municipal manager).	

Financial Performance 2024/ 2025: The Executive and Council(including MM)					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	4 927 355,00	2 940 964,00	2 940 964,00	4 312 072,26	146%
Repairs and Maintenance	726 000,00				
Services, Remuneration of councillors, Operational Costs	9 932 093,00	100 000,00	100 000,00	27 918,00	28%
Total Operational Expenditure	15 585 448,00	3 040 964,00	3 040 964,00	4 339 990,26	143%
					T3.69.5

Financial Performance 2024/ 2025: Department of the Municipal Manager					
Details	2023/ 2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)		0		0	
Expenditure:					
Employees and Councillors	4 927 355	5 505 624	5 505 624	6 185 824	112%
Repairs and Maintenance					0%
Other: Operational costs	726 000	600 000	600 000	551 806	68%
Total Operational Expenditure	5 653 355	6 105 624	6 105 624	6 737 630	110%
Net Operational (Service) Expenditure					
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.69.5.2

Capital Expenditure 2024/ 2025: The Executive and Council						R 000
Capital Projects	2024/ 2025				Total Project Value	
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Total All						
Project A		NONE				
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3.69.6

Capital Expenditure 2024/ 2025 : Internal Audit Unit						R 000
Capital Projects	2024/ 2025				Variance from original budget	Total Project Value
	Budget	Adjustment Budget	Actual Expenditure			
Total All			NONE			
Project A						
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3,69,6,1

Capital Expenditure 2024/ 2025: Department of Municipal Manager						R 000
Capital Projects	2024/ 2025					Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget		
Total All						
Project A		NONE				
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3.69.6.2

3.22 FINANCIAL SERVICES

Employees: Financial Services						
Job Level	2023/ 2024		2024/ 2025			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total %)	
0 - 3	4	5	4	1	20%	
4 - 6	5	8	4	2	25%	
7 - 9	19	24	23	1	4%	
10 - 12	0	0	0	0		
13 - 15	9	0	0	0		
16 - 18	0	0	0	0		
19 - 20	0	0	0	0		
Total	37	37	31	4	11%	
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. * Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.						
T3.70.4						

Financial Performance 2024/ 2025: Financial Services						
Details	2023/ 2024	2024/ 2025				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue (excluding tariffs)						
Expenditure:						
Employees	16 500 025,00	16 556 052	16 556 052	12 396 363		74%
Repairs and Maintenance						0%
Other: Contracted Services and Operational Costs	17 094 628,00	37 488 236	37 488 236	35 378 855		94%
Expenditure	33 594 653,00	54 044 288	54 044 288	47 775 218		88%
						T3.70.5

Capital Expenditure 2024/ 2025: Financial Services						
Capital Projects	2024/ 2025					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	0	0	0	0%		
Project A						
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						
						T3.70.6

3.23 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

LABOUR RELATIONS UNIT:

This unit has been responding to individual matters within the institution through the grievance management procedures as per the collective agreement. Reduced concerns from organised labour as collective. Other matters are settled departmentally with the assistance of this unit. Workshop was conducted to capacitate the general workers.

Amongst the HR related policies for 2024/2025 financial year were submitted to Council that was aligned with the municipal budget. The LLF is effective and functional.

SKILLS DEVELOPMENT UNIT: Council approved the Workplace Skills Plan (WSP and Annual Training Report (ATR) of 2024/25 financial year.

OHS Unit: The unit conducts regular safety audits and induction rollouts. Non-conformances are addressed via the OHS Committee for resolution. Workers exposed to hazardous risks attend a medical screening once a year. Personal Protection and Clothing is issued to all Infrastructure and Community Services employees. OHS Representatives have been trained in First Aid and Risk Assessment. OHS Committee members have been appointed in writing, and the Committee meets once every quarter.

PERSONNEL MANAGEMENT: This unit is functioning well, and the new HR system is in place i.e. Pay Day automated system. The Municipality is currently implementing the newly approved organogram however there are challenges with attracting highly skilled personnel within the Service Delivery Departments.

Training Intervention	Type of Training	NQE Level	Beneficiaries	Male	Female	Funded By	Municipal KPAs
Strategic Planning	Skills Program	6	5x Officials	2	3	DPK SLJM	Municipal Transformation and Institutional Development
Employment Equity Committee Training	Skills Program	Non-Credit bearing	11x Officials, 1x Intern & 2x Councilors	9	5	DPK SLJM	Municipal Transformation and Institutional Development
Demand Management Framework and Toolkits - FS and MP Provincial Rollouts	Skills Program	Non-Credit bearing	6x Officials	4	2	National Treasury	Municipal Financial Viability and Management
Local Labour Forum Training	Skills Program	Non-Credit bearing	10x Officials	11	1	GSDM	Municipal Transformation and Institutional Development
Institutionalisation of Toolkits (SOM Business Processes, Requisitions, Quotations & Petty Cash)	Skills Program	Non-Credit bearing	10x Officials & 1x Intern	6	5	DPK SLJM	Municipal Financial Viability and Management
Contract Management Framework	Skills Program	Non-Credit bearing	6x Officials	5	1	National Treasury	Municipal Transformation & Institutional Development
Municipal Public Accounts Committees (MPAC) Portfolio based Councilor Induction Programme	Skills Program	Non-Credit bearing	1x Officials & 11x Councilors	11	1	COGTA	Good Governance and the Linking of Democracy
KRA 2 Local Government Improve Infrastructure Delivery Management Toolkit	Skills Program	Non-Credit bearing	12x Officials	8	4	National Treasury	Municipal Transformation & Institutional Development
PayDay system Leave Modules training	Skills Program	Non-Credit bearing	1x Official & 2x Intern	2	1	DPK SLJM	Municipal Transformation & Institutional Development
SDF Training	Workshop	Non-Credit bearing	1x Official	1	0	LGSETA	Municipal Transformation & Institutional Development
4 th Annual Talent Management Seminar	Seminar	Non-Credit bearing	1x Official	1	0	SALGA	Municipal Transformation & Institutional Development
PayDay system HR, Skills, Equity & Post Modules training	Skills Program	Non-Credit bearing	2x Officials	1	1	DPK SLJM	Municipal Transformation & Institutional Development
FET Certificate: Water & Wastewater Treatment Process Control Supervision	Learnership	4	6x Officials	6	0	GSDM	Basic Service Delivery and Infrastructure Development
FET Certificate: Wastewater and Water Reticulation Services	Learnership	4	6x Officials	5	1	GSDM	Basic Service Delivery and Infrastructure Development
Local Labour Forum Training for employer representatives	Skills Program	Non-Credit bearing	2x Officials & 2x Councilors	4	0	SALGA	Municipal Transformation & Institutional Development
MunAdmin system training	Skills Program	Non-Credit bearing	4x Officials	0	4	DPK SLJM	Municipal Transformation & Institutional Development
Records Management	Skills Program	Non-Credit bearing	2x Officials & 2x Councilors	1	3	SALGA	Municipal Transformation & Institutional Development
Asset Management training	Skills Program	Non-Credit bearing	2x Officials & 1x Councilors	1	2	SALGA	Municipal Financial Viability and Management
Cash & Expenditure Management	Skills Program	Non-Credit bearing	2x Officials	0	2	COGTA	Municipal Financial Viability and Management
Training Committee training	Workshop	Non-Credit bearing	8x Officials	7	1	LGSETA	Municipal Transformation & Institutional Development
NC Supervision of Construction Process - Road Worker	Learnership	4	5x Officials	5	0	DPK SLJM	Basic Service Delivery and Infrastructure Development
Water, Sanitation, Electricity and Energy Portfolio based Councilor Induction Programme	Skills Program	Non-Credit bearing	3x Councilors	3	0	SALGA	Good Governance and the Linking of democracy
Task Job Evaluation Workshop	Workshop	Non-Credit bearing	1x Official	1	0	SALGA	Municipal Transformation & Institutional Development
SOM activities Capacity building workshop	Workshop	Non-Credit bearing	21x Officials	13	8	National Treasury	Municipal Financial Viability and Management
Local Economic Development Programme (NQF L5) Cirs	Skills Program	5	1x Councilors	0	1	COGTA	Good Governance and the Linking of democracy
Municipal Performance Management programme	Skills Program	5	2x Councilors	1	1	SALGA	Good Governance and the Linking of Democracy
Municipal System Act Amendment	Workshop	Non-Credit bearing	2x Officials & 1x Councilor	2	1	COGTA	Good Governance and the Linking of Democracy
Leadership in Municipal Governance programme	Learnership	5	3x Councilors	2	1	SALGA	Good Governance and the Linking of Democracy
Municipal Finance Management training	Skills Program	4	3x Councilors	3	0		Municipal Financial Viability and Management
Work Integrated Learning Programme (IT)	WIL	5	2x Interns	1	1	DPK SLJM	Municipal Transformation & Institutional Development
In-serve Training programme (Practical Learning)	WIL	5	7x learners	3	4	DPK SLJM	Municipal Transformation & Institutional Development
Finance Internship	Internship	6	5x Interns	1	4	DPK SLJM	Municipal Financial Viability and Management
Work Integrated Learning Programme (Human Resource Management)	Internship	5	4x Interns	2	2	DPK SLJM	Municipal Transformation and Institutional Development
Dr Pixley ka Isaka Seme Local Municipality ANNUAL REPORT 2022/23							Municipal Transformation and Institutional Development
Bursaries	Bursary	5, 6 & 7	41x Officials	22	19	DPK SLJM	Basic Service Delivery and Infrastructure Development; Municipal Financial Viability and Management

All training interventions were conducted in accordance with the Municipal Key Performance Area (KPA)

T3, T1, T2

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The Workplace Skills Plan (WSP) is approved with all the HR service statistics.
T3.71.2

Employees: Human Resource Services					
Job Level	2022/ 2023		2024/ 2025		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	2	1	1	50%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	
13 - 15	0	0	0	0	
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	5	4	3	1	25%

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

T3.71.4

Financial Performance 2024/ 2025: Human Resource Services (including Corporate Services)					
Details	2023/2024		2024/ 2025		
	Actual		Original Budget	Adjustment Budget	Actual
Total Operational Revenue (excluding tariffs)		0			
Expenditure:					
Employees	3 090 760		3 545 101	3 545 101	3 988 564
Repairs and Maintenance					
Other: Contracted Services;					
Operational Costs					
Total Operational Expenditure	3 090 760		3 545 101	3 545 101	3 988 564
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.71.5

Capital Expenditure 2024/ 2025: Human Resource Services						R 000
Capital Projects	2024/ 2025					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	0	0	0	0%		
Project A						
Project B						
Project C						
Project D						
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.						T3.71.6

Financial Performance 2024/ 2025: Licences					
Details	2023/2024	2024/ 2025			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	4 309 864	1 535 417	1 535 417	1 052 317	69%
Repairs and Maintenance: Maintenance & Machinery	253 627				
Other: Operating Costs	463 310	350 670	350 670	219 485	63%
Total Operational Expenditure	5 026 801	1 886 087	1 886 087	1 271 802	67%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated T3.74.1.5					

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The HR Labour Relations section has demonstrates satisfactory performance, meeting most key performance indicators (KPIs). However, opportunities for growth and development remain. Key areas for enhancement include: System Optimization: Refining and integrating HR systems and processes for greater efficiency.

Training and Development: Enhancing the skills and knowledge of HR personnel, employees, and Councillors.

Staffing: Filling the vacant Human Resource Officer and Labour Relations Officer position to complete the Labour Relations and Human Resource team.

Training and Development:

Design a comprehensive training programme for HR personnel, employees, and Councillors.

Focus on skills development, leadership, and labour relations.

Deliver regular training sessions and workshops.

Recruitment:

Prioritize filling the Human Resource Officer and Labour Relations Officer positions.

Ensure a thorough recruitment process to secure the best candidate.

Provide necessary support and training for the new hire.

Performance Monitoring:

Establish clear KPIs and performance targets for the HR section.

Regularly monitor and evaluate progress.

Offer feedback and coaching for improvement.

Implementation Timeline:

System Enhancement: Complete within the next 6 weeks.

Training and Development: Roll out the training program within the next 3 months.

Recruitment: Fill the Labour Relations Officer position within the next 2 months.

Performance Monitoring: Ongoing, with regular check-ins and progress reports. By implementing this action plan, the HR and LR and OHS sections can further improve its performance, refine its systems and processes, and provide enhanced support to the municipality.
T3.71.7

3.24 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

Job Level	Employees ICT Services					
	2023/ 2024			2024/ 2025		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0 - 3	1	1	0	1		100%
4 - 6	2	2	2	0		0%
7 - 9	0	0	0	0		
10 - 12	0	0	0	0		
13 - 15	0	0	0	0		
16 - 18	0	0	0	0		
19 - 20	0	0	0	0		
Total	3	3	2	1		33%
						T3.72.4

3.25 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: property; legal; risk management and procurement services.

COMPONENT J: MISCELLANEOUS

3.26 This component includes: Technical Services; Buildings; Stores; Mechanical Workshop and Licences

Financial Performance 2024/ 2025: Technical Services					
Details	2023/ 2024	2024/ 2025			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	3 479 849	2 783 096	2 783 096	1 176 308	42%
Repairs and Maintenance					0%
Other: Contracted Services					
Operational Costs	1 498 770	1 984 683	1 984 683	1 919 736	97%
Total Operational Expenditure	4 978 619	4 767 779	4 767 779	3 096 044	65%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.74.1.1

Financial Performance 2024/ 2025: Stores					
Details	2023/ 2024	2024/ 2025			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)	0	0	0	0	0%
Expenditure:					
Employees	0	0	0	0	0%
Repairs and Maintenance	0	0	0	0	0%
Other	0	0	0	0	0%
Total Operational Expenditure				0	0%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are					
					T3.74.1.3

Financial Performance 2024/ 2025: Mechanical Workshop					
Details	2023/ 2024	2024/ 2025			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)	0	0	0	0	
Expenditure:					
Employees	1 995 588	1 615 158	1 615 158	1 652 813	102%
Repairs and Maintenance	4 815 460	2 513 268	2 513 268	2 320 354	92%
Other	17 482				
Total Operational Expenditure	6 828 530	4 128 426	4 128 426	3 973 167	96%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
					T3.74.1.4

Financial Performance 2024/ 2025: Licences					
Details	2023/ 2024	2024/ 2025			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excluding tariffs)					
Expenditure:					
Employees	4 309 864	1 535 417	1 535 417	1 052 317	69%
Repairs and Maintenance: Maintenance & Machinery	253 627				
Other: Operating Costs	463 310	350 670	350 670	219 485	63%
Total Operational Expenditure	5 026 801	1 886 087	1 886 087	1 271 802	67%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated					
					T3.74.1.5

Capital Expenditure 2024/2025 Mechanical Workshop					R' 000
Capital Projects	2024/2025				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All					
Project A			NONE		
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					T3.74.2.4

Description	Employees			
	2024/25			
	Approved Posts No.	Employees No.	Vacancies No.	Variance %
Water & Sanitation	72	53	22	28%
Electricity	12	7	5	18%
Solid Waste Management	53	42	11	29%
Housing	1	1	0	0%
Road and Stormwater	48	21	27	57%
Planning	7	4	3	0%
Local Economic Development & IDP	3	3	0	0%
Libraries, Archives, Buildings	21	14	7	9%
Parks & Cemeteries	21	16	5	53%
Waste Disposal	53	42	11	30%
Fire Services	9	8	1	0%
Licensing and Protection Services	15	9	6	14%
Finance	40	34	6	16%
Human Resources	5	4	1	0%
ICT	3	2	1	0%

Legal/Records/Administration	7	6	1	9%
Totals	370	266	107	29%
Totals are excluding Directors. Employee and Approved Posts numbers are as at 30 June.				
T4.1.1.1				

Vacancy Rate 2024/2025				
Designations	*Total Approved Posts	Vacancies	*Variances (as a proportion of total posts in each category)	
	No.	No.	%	
Municipal Manager	1	1	100%	
CFO	1	1	100%	
Other S57 Managers (excluding Finance Posts)	4	1	25%	
Other S57 Managers (Finance posts)	0	0	0%	
Municipal Police	0	0	0%	
Fire fighters	8	0	0%	
Senior management: Levels 0-3 (excluding Finance Posts)	15	1	7%	
Senior management: Levels 0-3 (Finance posts)	5	2	40%	
Highly skilled supervision: levels 4 - 6 (excluding Finance posts)	9	4	44%	

Highly skilled supervision: levels 4-6 (Finance posts)		9	5	56%
Total		52	15	29%
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.				
				T4.1.2

COMPONENT K: ORGANISATIONAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

This component includes:

3.27) The Key Performance Indicators that were not achieved during the prior year (2023/2024)

3.28) The revised Service Delivery and Budget Implementation plan for the current year (2024/2025) – High Level

3.29) The Key Performance Indicators that were not achieved during the current year (2024/2025) - High Level

3.27) The Key Performance Indicators that were not achieved during the prior year (2023/2024)

TARGETS NOT ACHIEVED ANNUAL PERFORMANCE REPORT 2023/2024 DEPARTMENT CORPORATE SERVICES REVISED HIGH-LEVEL 2023/2024 SDBIP KPA 1: Municipal Transformation & Institutional Development									
Strategic Objective		To provide effective, efficient and transformed human resources							
KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2022/23	Actual Performance 2023/24	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
COMMUNICATION & CUSTOMER CARE									
NEW KPI (a)	Number of Customer Satisfaction surveys done	NEW KPI (a)	1	Customer Satisfaction surveys done	New KPI	0	Not Achieved	The new Customer Care Policy is still in the process of approval.	The Survey will be done after approval of the Customer Care Policy.
5	Number of reports to Council on the outcome of the Customer satisfaction survey	NEW KPI	1	Report on outcome of the Customer satisfaction survey. Council resolution	New KPI	0	Not Achieved	The report cannot be submitted to Council yet. The customer care policy must be approved first.	The Customer Care Policy be submitted back to Council by the end of July 2024 (Q3) for approval.
NEW KPI (b)	Number of Customer Care Policies reviewed and submitted to Council	NEW KPI	1	Customer Care Policy Council resolution	New KPI	0	Not Achieved	The policy is outdated it was submitted to Council and it was referred to Policy and By laws	It will be submitted back to Council by the end of July 2024 (Q3)
6 (Moved from KPA5)	Number of Communications Strategies to be reviewed		1	1 x Communication Strategy reviewed. Council resolution	1	0	Not Achieved	The strategy is outdated it was submitted to Council and it was referred to Policy and By laws	It will be submitted back to Council by the end of July 2024 (Q3)
LABOUR RELATIONS & OHS									
NEW KPI (c)	Number of Labour Relations reports to Council	NEW KPI	2	Report to Council. Council Resolution.	New KPI	1	Not Achieved	Q3 target was incorrect, as this was a New KPI. No Q3 report available	To be carried over to the new KPI

TARGETS NOT ACHIEVED

ANNUAL PERFORMANCE REPORT 2023/2024

DEPARTMENT INFRASTRUCTURE- AND TECHNICAL SERVICES

REVISED HIGH-LEVEL 2023/2024 SDBIP

KPA 2: BASIC SERVICE DELIVERY

Strategic Objective		To provide access to basic service to the households									
KPI ID#	KPI	Baseline 2023 / 2024	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S PERFORMANCE 2022 / 2023	Actual Performance 2023/2024	Budget	Actual budget spent as on 30 June 2024	ACHIEVED / NOT ACHIEVED	Challenges and cause of challenges	Remedial Action and target dates
ACCESS TO BASIC SERVICES: WATER AND SANITATION (PMU)											
NEW KPI (d)	Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (Multi-year project Year 1 of 3)	NEW KPI	30%	Design report, Advert of tenders, Appointment letter of Contractor, Progress reports, Completion certificate.	Refurbishment at 30%	Advert placed for tender	MIG R3 933 000	368051,75	Not achieved	Delays of appointment of a contractor due to re-advertisement since there were no responsive bidders.	The project was re-prioritised for the procurement of an excavator and target to appoint a contractor by 2024/25 financial year.
NEW KPI (e)	Percentage of progress in terms of upgrading of Waste Water Treatment Works refurbished: Amersfoort (Multi-year project Year 2 of 3)	NEW KPI	60%	Progress reports	Upgrading 60%	Upgrading 45%	WSIG R15 000 000	15000000	Not achieved	Cashflow constraints, stemming from delayed funding transfers, impeded progress in upgrading the WWTW.	Wait for funding transfer in 2024/25 financial year and revising project timelines.

TARGETS NOT ACHIEVED ANNUAL PERFORMANCE REPORT 2023/2024 DEPARTMENT OF BUDGET AND TREASURY REVISED HIGH-LEVEL 2023/2024 SDBIP KPA 4: Municipal Financial Viability and Management								
Strategic Objective	TO PROVIDE SOUND FINANCIAL MANAGEMENT AND COMPLIANCE TO LEGISLATION							
KPI	Baseline 2022/2023	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S PERFORMANCE 2022/2023	Actual performance 2023/24	ACHIEVED / NOT ACHIEVED	Challenges and cause of challenges	Remedial Action dates
REVENUE								
Percentage of quarterly revenue collected	45%	50%	Collection rate reports	50%	49%	Not Achieved	As a result of none payment of accounts by customers	Appoint a dedicated staff to implement a 6 state
BUDGET / ASSETS & TREASURY (BTO)								
Debt Ratio for 2022/23 based as current assets / Liabilities by 30 June 2024	1,02:1	02:01	As Per AFS	1,02:1	01:01,2	Not Achieved	Low Revenue Collection	Strengthen implementation Controls

TARGETS NOT ACHIEVED ANNUAL PERFORMANCE REPORT 2023/2024 DEPARTMENT OF THE MUNICIPAL MANAGER REVISED HIGH LEVEL 2023/24 SDBIP KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION								
Strategic Objective	Sustain good corporate governance through effective and accountable clean administration							
KPI	Baseline 2022/23	REVISED ANNUAL TARGET	POI	PRIOR YEAR'S ACTUAL PERFORMANCE 2022/23	ACTUAL PERFORMANCE 2023/24	ACHIEVED / NOT ACHIEVED	Challenges and cause of challenges	Remedial Action dates
RISK MANAGEMENT								
1 of draft Whistle Blowing Policies to be prepared and submitted to the Portfolio Committee	1	1	Draft Whistle Blowing Policy, Portfolio Committee minutes	1	0	Not Achieved	Awaiting inputs from GSDM and Provincial Treasury	The follow-up of Finance Portfolio Committee
PERFORMANCE MANAGEMENT								
1 of FORMAL performance assessments done: Accounting Officer (in 54a Manager)	New KPI	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)	New KPI	0	Not achieved	Assessment postponed twice as committee did not form a quorum	Executive Mayor Intervent. Asses re-scheduled to the New
2 of FORMAL performance assessments done: Senior Managers (Section 56 Managers)	New KPI	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)	New KPI	1	Not achieved	Assessment postponed twice as committee did not form a quorum	Assessment scheduled to the New
3 of FORMAL performance assessments done: Middle Managers	New KPI	1	Formal Performance Assessments reports for Middle Managers	New KPI	0	Not achieved	Cascading to take place as from 01/07/2024	KPI to be carried new
WARD COMMITTEES								
1 of Reports on Ward Committee meetings held and sent to Council	4	4	4 x Reports on issues raised in Ward Committee Meetings Council Resolutions	4	3 (Q1, Q2 & Q3)	Not Achieved	Q4 report was submitted to Council but omitted in the SDBIP report	To ensure that Committee's submitted to Council included in the
TRANSVERSAL ISSUES/ HIV / SPORT								
1 of Youth Development Policy to be reviewed and sent to Council	NEW KPI	1	Youth Development Strategy Council Resolution	NEW KPI	0	Not achieved	Delayed input from relevant stakeholder	The Strategy will be Council in Q1 of
2 of Gender Development Policy to be prepared and submitted to Council	NEW KPI	1	Gender Development Policy Council Resolution	NEW KPI	0	Not achieved	Delayed input from relevant stakeholder	The Gender Development policy will be tabled council before the end of the New FY
3 of GBV Policies to be prepared and submitted to Council	NEW KPI	1	GBV Policy and Council Resolution	NEW KPI	0	Not achieved	Delayed input from relevant stakeholder	The GBV policy tabled to council the New FY

TARGETS NOT ACHIEVED ANNUAL PERFORMANCE REPORT 2023/2024 DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES REVISED HIGH-LEVEL 2023/2024 SDBIP KPA 6: SPATIAL PLANNING								
Specific Objective	Plan and Develop integrated and sustainable human settlement and rural areas							
KPI	Baseline 2022/2023	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2022/23	ACTUAL PERFORMANCE 2023/24	ACHIEVED / NOT ACHIEVED	Challenges and cause of challenges	Remedial Ac target dates
SPATIAL PLANNING								
Number of Council resolutions outstanding for the Planning Unit	10	0 (zero)	List of outstanding Council Resolutions	0 (zero)	3	Not achieved	Some resolutions are taking time to implement due to investigations to be done; research; clarification needed; etc.	Implement progress. to be sub Coun

ANNUAL PERFORMANCE REPORT 2022/ 2023										
TARGETS NOT ACHIEVED										
DEPARTMENT OF THE MUNICIPAL MANAGER										
REVISED HIGH-LEVEL 2022/ 2023 SDBIP										
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective: To sustain good corporate governance through effective and accountable clean administration										
KPI ID	KPI	Baseline 2021/ 22	REVISED Annual Target	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2021/ 2022	ACTUAL PERFORMANCE 2022/ 2023	Achieved / Not achieved	Challenges and cause of Challenges	Remedial Action and target date	PROGRESS AS ON 30 JUNE 2024
MUNICIPAL MANAGER'S FLAGSHIP PROJECTS										
166	Number of Reports on municipal LED Initiated Projects	1 x report submitted	2	2 x Reports and Council Resolution on commencement of municipal initiated LED projects	2	0	Not achieved	No budget allocated in the current financial year for implementation of the projects	The projects may be reactivated on allocation of funds during the 2023/24 budget and the reports will be submitted to Council in the Q2 of 2023/24 or the the KPI will be withdrawn	No budget allocated. KPI withdrawn.
TRANSVERSAL ISSUES / HIV / SPORT										
187	Number of Youth Development Strategies to be reviewed and submitted to Council	NEW KPI	1	Youth Development Strategy Council Resolution	0	0	Not Achieved	Awaiting for the establishment of Youth Council	Youth Council will be established before the end July 2023	Due to financial constraints the stakeholders not be invited to make inputs on the draft strategy. E-mails will be send to all stakeholders requesting inputs during Q1 of the 2024/25 FY. Follow-ups to be done before the end of September 2024.
188	Number of Disability Strategies to be developed and submitted to Council	NEW KPI	1	Disability Strategy Council Resolution	NEW KPI	0	Not Achieved	It was submitted to Council. Referred back by Policies and By-laws Committee	To be re-submitted to the Finance Portfolio in Q1 of 2023/24	Due to financial constraints the stakeholders not be invited to make inputs on the draft strategy. E-mails will be send to all stakeholders requesting inputs during Q1 of the 2024/25 FY. Follow-ups to be done before the end of September 2024.
189	Number of Women Development Strategies to be developed and submitted to Council	NEW KPI	1	Women Development Strategy Council Resolution	NEW KPI	0	Not achieved	Slow response from the Community / Women structures in submitting inputs.	To be submitted to the Finance Portfolio in Q1 of 2023/24	The Provincial strategy has not yet been approved A follow-up will be done before the end of Q1 in the 2024/25 FY.
ADMINISTRATIVE SUPPORT										
NEW KPI (d)	Number of Council Resolutions outstanding for the Municipal Manager's Department	10	0(Zero)	List of outstanding Council Resolutions	NEW KPI	2	Not achieved	Resolutions were not escalated to MM for execution (due to position of Manager in the Office of the MM being vacant)	2 x MM: Resolutions to be executed in new FY	Achieved

ANNUAL PERFORMANCE REPORT 2022/ 2023										
TARGETS NOT ACHIEVED										
DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES										
REVISED HIGH-LEVEL 2022/ 2023 SDBIP										
KPA 6: SPATIAL PLANNING										
Strategic Objective: To Plan and Develop integrated and sustainable human settlement and rural areas										
KPI IDs	KPI	Baseline 2021/ 22	REVISED Annual Target	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2021/ 2022	ACTUAL PERFORMANCE 2021/ 2022	Achieved / Not achieved	Challenges and cause of Challenges	Remedial Action and target date	PROGRESS AS ON 30 JUNE 2024
SPATIAL PLANNING										
215	Number of reports to Council on compliance to Building Regulations quarterly	1	4	4 x reports to Council on compliance to Building Regulations. Council Resolutions	4	3	Not Achieved	Report was not done due to the vacancy of the Building Inspector.	N/A	Achieved.
ADMINISTRATIVE SUPPORT										
NEW KPI (e)	Number of Council Resolutions outstanding for the Spatial Planning Department	10	0	List of outstanding Council Resolutions	NEW KPI	17	Not achieved	14 x of resolutions were taken on 27 June 2023 and could not be concluded before 30 June 2023.	Outstanding resolutions to be attended to in Q1 of new FY	Achieved

**3.28) Revised Service Delivery and Budget Implementation Plan for the current financial year (2024/25)- HIGH LEVEL:
Detailed Strategic Objectives, Key Performance Indicators and Targets**

DEPARTMENT CORPORATE SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 1: Municipal Transformation & Institutional Development										
MTSF 2019-2024 Priority			Municipal Transformation and Organisational Development							
MTSF Indicator and Target:			Improve the quality of municipal administrative, human resources and recruitment practices							
Strategic Goal			Promote good governance, organisational development and sound financial management							
Strategic Objective			To provide effective, efficient and transformed human resources							
KPI IDs	KPI	IDP Link	Budget & COG's	Baseline 2023/24	2024/2025				REVISED ANNUAL TARGET	POE
					Q1	Q2	REVISED Q3	REVISED Q4		
ADMINISTRATION										
1	Number of progress reports to Council on the implementation of Council Resolutions for all Departments	Page 81	OPEX	4	1	1	1	1	4	4 x progress reports to Council 4 x Council resolutions.
2	Number of Council Resolutions outstanding for the Department Corporate Services	Page 81	OPEX	0	0 (zero)	0 (zero)	1 (zero)	1 (zero)	1 (zero)	List of outstanding Council Resolutions
RECORDS										
3	Number of Customer Satisfaction surveys done Signed by DCS	Page 227	OPEX	1	1	N/A	N/A	1	1	Customer Satisfaction survey report signed by DCS
4	Number of reports to Council on the outcome of the Customer satisfaction survey	Page 81	OPEX	1	N/A	N/A	KPI REMOVED DURING THE REVISION OF THE SDBIP			
5	Number of Customer Care Policies reviewed and submitted to Council	Page 227	OPEX	1	1	N/A	N/A	N/A	1	Customer Care Policy Council resolution
6	Number of Communications Strategies to be reviewed	Page 227	Open	Outdated Strategy	1	N/A	N/A	N/A	1	1 x Communication Strategy reviewed. Council resolution
IT										
7	Number of quarterly reports submitted to Council on ICT & IT Services	Page 88	OPEX	3	1	1	1	1	4	Quarterly Progress Reports to Council. Council resolution.
LEGAL										
8	Number of quarterly reports submitted to Council on litigation cases attended to	Page 83	OPEX	4	1	1	1	1	4	Quarterly Progress Reports to Council. Council resolution.
9	Number of reports submitted to Council on support given to Departments on Contract renewal	Page 83	OPEX	4	1	1	1	1	4	4 x reports submitted to Council and Council Resolutions

KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2023/24	2024/2025				REVISED ANNUAL TARGET	POE
					Q1	Q2	REVISED Q3	REVISED Q4		
HUMAN RESOURCES										
10	Number of WSP Documents drafted and submitted to Council for 2024/2025 FY.	Page 102	Opex	1	N/A	N/A	N/A	1	1	1 x WSP Report submitted to Council. Council resolution
11	Number of the Employment Equity reports submitted to Council	Page 102	Opex	1	N/A	N/A	N/A	1	1	EE report . Council resolution.
12	Number of HR Policies reviewed and submitted to Council	Page 102	Opex	14	N/A	N/A	N/A	14	14	Council resolution indicating the approval of 14 x policies
13	Number of Organisational Structures reviewed and submitted to Portfolio and Council	Page 102	Opex	1	N/A	N/A	1	N/A	1	1 x report to Portfolio and 1 x Council Resolution for the approval of the structure
14	Number of HR Policies Awareness Rollouts	Page 81	Opex	NEW KPI	N/A	N/A	1	N/A	1	Attendance register/ Agenda
15	Number of FORMAL performance assessments done for Middle Managers	Page 91	OPEX	New KPI	N/A	1 (for Q1 of 2024/25)	1(for Q2 of 2024/25)	1 (for Q3 of 2024/25)	3	3 x Formal Performance Assessments reports for Middle Managers
LABOUR RELATIONS										
16	Number of Labour Relations reports to Council	Page 81	Opex	NEW KPI	1	1	1	1	4	Report to Council. Council Resolution.

DEPARTMENT INFRASTRUCTURE- AND TECHNICAL SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 2: BASIC SERVICE DELIVERY										
MTSF 2019-2024 Priority		Basic Service Delivery and Infrastructure Development								
MTSF Indicator and Target:		Increase sustainable and reliable access to basic services								
Strategic Goal		Reduction of basic service delivery backlog by 5%								
Strategic Objective		To provide access to basic service to the households								
KPI ID	KPI	IDP Link	Budget	Baseline 2023/24	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
ACCES										
57	Percentage of boreholes refurbished in private farms Number of boreholes refurbished in private farms	Annex. G	MO R1 500 000	NEW KPI	Assessment, Advert & Tender for Construction.	Appointment of contractor, 15 x boreholes refurbished	Inspection, Preliminary & Detailed Design reports, Advert & Tender for Construction.	Appointment of contractor, 38 x boreholes refurbished	28	Assessment report, Advert of tender, Appointment letter of Contractor, Progress reports & 1 x Project Close-out report, Completion certificates
New KPI	Percentage of progress in terms of Construction of water reticulation network with house connection in Daggabusa Ward 10	Annex. G	MO R1 044 050,30	New KPI	0%	0%	Construction 50%	Construction 100%	100%	Design reports, Advert of tender, Appointment letter of Contractor, Progress reports, Practical completion certificates
58	Percentage of Toilets in Ward 1, 9, 10, 11 constructed Number of toilets in Ward 1, 9, 10, 11	Annex. G	MO R1 000 000	NEW KPI	Assessment, Advert & Tender for Construction, Appointment of contractor.	Appointment of contractor, X 45 toilet	58	23	118	Assessment report, Advert of tender, Appointment letter of Contractor, Progress reports & 1 x Project Close-out report, Completion certificates
ACCESS TO BASIC SERVICES: WATER AND SANITATION										
19	Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (34 multi-year project, Year 1 of 3)	Annex. G	MO R3 114 195	NEW KPI	Advert & Tender for construction, Appointment of contractor.	Refurbishment at 5%	Refurbishment at 5%	Refurbishment at 5%	15%	Advert & Tender for construction, Appointment of contractor, Progress reports.
20	Percentage of progress in terms of refurbishment and upgrade of Waste Water Treatment Works/ Volksrust (34 multi-year project, Year 1 of 3)	Annex. G	WSK R4 000 000	NEW KPI	Advert & Tender for construction, Appointment of contractor.	Refurbishment at 5%	KPI REMOVED DURING THE REVISION OF THE SDBIP			
New KPI	Percentage of progress in terms of Sewer Reticulation outfall: Amersfoort (34 multi-year project, Year 1 of 3)	Annex. G	WSK R4 000 000	New KPI	N/A	N/A	Revision Design reports.	Advert & Tender for Construction, Appointment of contractor, Construction 3%	3%	Inspection, Preliminary & Detailed Design reports, Advert & Tender for Construction, Appointment of contractor, Construction 5%
21	Percentage of progress in terms of upgrading of Waste Water Treatment Works: Amersfoort (34 multi-year project, Year 3 of 3)	Annex. G	WSK R4 100 000	40% Upgraded	Upgrading 50%	Upgrading 70%	Upgrading 80%	Upgrading 100% Completion of project	100%	Progress reports, Practical Completion certificates.

KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2023/ 24	2024/ 2025					POE
					Q1	Q2	REVI SED Q3	REVI SED Q4	REVISED ANNUAL TARGET	
PUBLI C WORKS										
22	Number of Meters of paved road constructed in Vukuzakhe Ward 2	Annex. G	MIG R3 084 600	NEW KPI	Designs and Tender for Construction.	Appointment of the contractor and site estachlshment	500m Sub-base and base layers constructed	500m of paved road constructed. Completion of project.	500m	Design report./ tender.Appointme Contractor. Progres X Project Close-c Completion oer
23	Number of meters of paved roads constructed in Ward 3	Annex. G	MIG R2 658 984	NEW KPI	Designs and Tender for Construction.	Appointment of the contractor and site estachlshment	750m Sub-base and base layers constructed	750m of paved road constructed. Completion of project.	750m	Design report./ tender.Appointme Contractor. Progres X Project Close-c Completion oer
24	Number of meters of paved roads constructed in Ward 11	Annex. G	MIG R2 000 000	NEW KPI	Designs and Tender for Construction.	Appointment of the contractor and site estachlshment	300m Sub-base and base layers constructed	300m of paved road constructed. Completion of project.	300m	Design report./ tender.Appointme Contractor. Progres X Project Close-c Completion oer
25	Number of meters of paved roads constructed in Ward 9	Annex. G	MIG R2 000 000	NEW KPI	Designs and Tender for Construction.	Appointment of the contractor and site estachlshment	300m Sub-base and base layers constructed	300m of paved road constructed. Completion of project.	300m	Design report./ tender.Appointme Contractor. Progres X Project Close-c Completion oer
New KPI	Number of meters of paved roads constructed in Ward 1	Annex. G	MIG R6 000 000	NEW KPI	Designs and Tender for Construction.	Appointment of Contractor. Site established	Subsoil drainage and 550m sub-base later	550m of paved road constructed. Completion of project.	550m	Design report./ tender.Appointme Contractor. Progn Practical Completion
26	Number of yellow fleet (Solid waste) procured (Compactor Truck)	Annex. G	MIG R2 200 000	NEW KPI	Specification. Appointment of Service Provider. 1 x Procurement	N/A	No Changees	No Changees	No Changees	BSC Item. Appoi Service Provider (Or Delivery n

SPORT & RECREATION										
27	Percentage of progress in terms of Upgrading of Daggakaaal Combo courts in Ward 9	Annex. G	MIG R4 000 000	NEW KPI	Assessment and Design, Advert & Tender for Construction, Appointment of contractor.	10% upgrading of Combo courts	50% upgrading of Combo courts	100% upgrading of Combo courts. Completion of project.	100%	Design report, Advert of tender, Appointment letter of Contractor, Progress reports & 1 X Project Close-out report, Completion certificates
28	Percentage of progress in terms of Upgrading of Daggakaaal Combo courts in Ward 10	Annex. G	MIG R4 000 000	NEW KPI	Assessment and Design, Advert & Tender for Construction, Appointment of contractor.	10% upgrading of Combo courts	50% upgrading of Combo courts	100% upgrading of Combo courts. Completion of project.	100%	Design report, Advert of tender, Appointment letter of Contractor, Progress reports & 1 X Project Close-out report, Completion certificates
29	Percentage of progress in terms of Upgrading of Daggakaaal Combo courts in Ward 11	Annex. G	MIG R4 000 000	NEW KPI	Assessment and Design, Advert & Tender for Construction, Appointment of contractor.	10% upgrading of Combo courts	50% upgrading of Combo courts	100% upgrading of Combo courts. Completion of project.	100%	Design report, Advert of tender, Appointment letter of Contractor, Progress reports & 1 X Project Close-out report, Completion certificates

KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2023/24	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
ELECTRICAL SERVICES										
30	Number of Households provided with electricity in Vukusanihe A & B	Annex. G	INEP R 17 832 000	NEW KPI	Assessment and Design, Appointment of Turnkey/ Contractor, Procurement of the material, 100 HH provided with electricity	350 HH provided with electricity	Pole planting, House Connections and stringing of LV line	620 HH provided with electricity	630HH	Assessment and Design report, Progress reports & 1 X Project Close-out report, Completion certificates
31	Number of High Mast lights constructed Ward 10	Annex. G	MIG R 2 944 650	NEW KPI	Assessment and Design, Advert & Tender for Construction, Appointment of contractor.	Construction x 1 Highmast light.	KPI REMOVED DURING THE REVISION OF THE RDSIP			
ADMINISTRATIVE SUPPORT										
32	Percentage spent on INEP grant by 30 June 2025	Page 211	INEP R17 832 000	100%	20%	40%	60%	100%	100%	Expenditure progress report
33	Percentage spent on MIG grant by 30 June 2025	Page 211	MIG 440 000 R34	100%	20%	40%	60%	100%	100%	Expenditure progress report
34	Percentage spent on WSG grant by 30 June 2025	Page 211	WSG R51 106 000	100%	20%	40%	60%	100%	100%	Expenditure progress report
35	Number of Council Resolutions outstanding for the Department Infrastructure Services	Page 211	OPEX	0	0 (zero)	0 (zero)	0(zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions

DEPARTMENT COMMUNITY SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 2: BASIC SERVICE DELIVERY										
MTSF 2019-2024 Priority			Basic Service Delivery and Social economic Development							
MTSF Indicator and Target:			Increase sustainable and reliable social economic services							
Strategic Goal			Improve Waste Management (refuse removal) by 5%							
Strategic Objective			To provide access to basic service delivery to the community							
KPI ID#	KPI	IDP Link	Budget R 000's	Baseline 2023/24	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
SOCIAL DEVELOPMENT SERVICES										
36	Number of Waste Management Forums meetings arranged	Page 149-156	OPEX	New KPI	1	1	1	1	4	Attendance registers and minutes of meetings
EPWP										
37	Number of EPWP plans to be drafted for 2024/2025 and submitted to the Accounting Officer	SDG (sustainable development goal No. 8)	R 1 931	1	N/A	N/A	No Changes	1	1	EPWP plan. Memo submitted to Accounting Officer
38	Number of progress reports to Council on the Community Works Programme (CWP) opportunities created in the municipality	SDG (sustainable development goal No. 8)	R19 647 219	4	1	1	1	1	4	4 x Quarterly reports submitted to portfolio committee as council committee
39	Number of job opportunities created through EPWP incentive grant	SDG No. 8	R1 931	77	77	N/A	N/A	N/A	77	List of appointed beneficiaries.
40	Number of library marketing events held	Vision 2023 P27	OPEX	New KPI	1	1	1	1	4	Photographs and staff register
PUBLIC SAFETY / FIRE & RESCUE AND DISASTER MANAGEMENT										
41	Number of reports on Traffic submitted to Council	Page 138-143	Opex	4	1	1	1	1	4	Quarterly reports submitted to Council
ADMINISTRATION										
42	Number of Council Resolutions outstanding for the Community Services Department	Page 81	OPEX	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions

DEPARTMENT OF THE MUNICIPAL MANAGER										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED)										
MTSF 2019-2024 Priority		Economic Transformation and Job Creation								
MTSF Indicator and Target:		Economic Growth : >5% pa								
Strategic Goal		Promote economic growth and job								
Strategic Objective		Facilitate investment and development strategic infrastructure to unlock growth and job creation								
KPI ID's	KPI	IDP Link	Budget R 000's	Baseline 2023/24	2024/2025					PGE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
LOCAL ECONOMIC DEVELOPMENT										
43	Number of LED Forum policies customised and approved by Council	p.199	OPEX	1	N/A	1	KPI REMOVED DURING THE REVISION OF THE SDBIP			
44	Number of Local Economic Development Investment Networking Session held and report submitted to Council	p.191	R50 000	1	1	N/A	KPI REMOVED DURING THE REVISION OF THE SDBIP			
45	Number of projects with business plans developed from the LED Strategy	p.191	R100 000	1	1 x business plan	2 x business plans	KPI REMOVED DURING THE REVISION OF THE SDBIP			
ADMINISTRATIVE SUPPORT										
46	Number of Council Resolutions outstanding for the LED Unit	Page 102	OPEX	10	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions

DEPARTMENT OF BUDGET AND TREASURY										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 4: Municipal Financial Viability and Management										
Strategic Objective		Responsive, accountable, effective and efficient financial management								
MTSF Indicator and Target:		Improve financial management, supply chain and anti-corruption actions								
Strategic Goal		Promote good governance, organisational development and sound financial management								
Strategic Objective		TO PROVIDE SOUND FINANCIAL MANAGEMENT AND COMPLIANCE TO LEGISLATION								
KPI ID#	KPI	SDB Link	Budget R 000's	Baseline 2023/24	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
REVENUE										
47	Number of Revenue Enhancement Committee meetings held	Page 208	OPEX	4	1	1	1	1	4	Minutes and Attendance register
48	Percentage of quarterly revenue collected	Page 208	Opeex	39%	50%	50%	50%	50%	50%	Collection rate reports
49	Number of Revenue Enhancement Strategies approved	Page 208	Opeex	0	N/A	N/A	N/A	1	1	Approved 2024/25 Revenue Enhancement Strategy. Council Resolution
50	Number of By-laws reviewed: 1) Municipal credit control by-law 2) Tariff by-law	Page 208	Opeex	0	N/A	N/A	KPI REMOVED DURING THE REVISION OF THE SDBIP			
EXPENDITURE										
51	Number of reports on Investment Register	Page 211-212	Opeex	12 monthly reports	1	1	1	1	4	Reports on Investment register signed off by CFO
52	Number of Expenditure reports on Staff Benefits submitted to Council	Page 211-212	Opeex	4	1	1	1	1	4	Section 52 report
SUPPLY CHAIN										
53	Number of procurement plan for 2024/2025 developed and approved by 30 June 2024	Page 210	Opeex	1	N/A	N/A	N/A	1	1	Approved 2023/24 procurement plan
54	Number of quarterly SCM reports submitted to the Executive Mayor within 30 days after end of each quarter	Page 210	Opeex	4	1	1	1	1	4	Quarterly SCM reports and acknowledgement of Executive Mayor's office

Strategic Objectives	Priority / Issue	KPI I Ds	KPI	IDP Link	Budget R 000's	Baseline 2022/ 23	2023/ 2024					POE
							Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
ADMINISTRATIVE SUPPORT												
To provide sound financial management and compliance to legislation	Sound financial management	145	Number of Budget-related policies to be reviewed	Page 194-198	Opex	12	N/A	N/A	N/A	12	12	12 x budget related policies reviewed. Council Resolution
		146	Number of Audit action plans developed for 2022/2023	Page 194-198	Opex	1	N/A	N/A	1	N/A	1	Approved Audit Action Plan. Minutes of Audit Committee Meetings
	Financial Reporting	147	Number of annual financial statements submitted to Auditor General by 31 August 2023	Page 194-198	Opex	1	1	N/A	N/A	N/A	1	Acknowledgement of submission to AG
		148	Number of Council Resolutions outstanding for the Department	Page 102	OPEX	10	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions
		149	Number of By-laws reviewed: 1) Municipal credit control by-law 2) Tariff by-law	KPI REMOVED DURING REVISED SDBIP								

KPI ID#	KPI	IDP Link	Budget R 000's	Deadline 2023/24	2024/2025				REVISED ANNUAL TARGET	POE
					Q1	Q2	REVISED Q3	REVISED Q4		
SUPPLY CHAIN										
55	Number of quarterly reports submitted to Council on the Deviations to the Supply Chain Management Policy within 30 days after the end of each quarter	Page 210	Opex	4	1	1	1	1	4	Council Resolution
56	Number of quarterly reports submitted to Council on Unauthorized, Irregular, Fruitless and Wasteful expenditure within 30 days after the end of each quarter	Page 210	Opex	4	1	1	1	1	4	Council Resolution
57	Percentage of Tenders awarded within 90 days from closing date	Page 210	Opex	100%	100%	100%	100%	100%	100%	Closing register and appointment letters
BUDGET / ASSETS & TREASURY(BTO)										
58	Number of Quarterly Section 52 reports submitted to Council	Page 208	Opex	4	1	1	1	1	4	4 x Section 52 reports to Council.
59	Number of DRAFT Capital- and Operational budgets for 2025/26 approved by 31 March 2025	Page 208	Opex	1	N/A	N/A	1	N/A	1	Council resolution for approval of draft budget 90 days before the beginning of the new financial year
60	Approval of FINAL MTREF Budget for 2025/26 by the 31st May 2025	Page 208	Opex	1	N/A	N/A	N/A	1	1	Approved MTREF Budget and Council resolution
61	Number of Adjustment budgets for 2024/25 approved by Council on or before 28 February	Page 208	Opex	1	N/A	N/A	1	N/A	1	Council Resolution.
62	Section 72 (midyear) MFMA report submitted to Executive Mayor by 25 January 2025	Page 208	Opex	1	N/A	N/A	1	N/A	1	Section 72 (midyear) MFMA report and acknowledgement of Executive Mayor's office
63	Number of reports on Financial Ratios for 2023/24 submitted to Council	Page 208	Opex	1	N/A	N/A	1	N/A	1	Report on Financial ratios and Council Resolution.
64	Percentage spent on Financial Management Grant (FMG) by 30 June 2025	Page 208	FMG	100%	20%	40%	1	1	1	Expenditure progress report
65	Number of Moveable Asset verifications done	208	Opex	4%	1	1	1	1	4	Asset verification report

KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2023/ 24	2024/ 2025				REVI SED ANNUAL TARGET	POE
					Q1	Q2	REVI SED Q3	REVI SED Q4		
BUDGET / ASSETS & TREASURY(BTO)										
66	No of reports submitted on the EMUNI- Monitor Treasury Portal	Page 208	Opex	New KPI	1	1	1	1	4	Submission report (Joint reporting)
67	No. of reports submitted on the GOMUNI Treasury Portal	Page 208	Opex	New KPI	1	1	1	1	4	Submission report S.52 report. Datastrings report Bulk purchases report 3rd Party Payments report
ADMINISTRATIVE SUPPORT										
68	Number of Budget-related policies to be reviewed	Page 194-198	Opex	12	N/A	N/A	N/A	12	12	12 x budget related policies reviewed. Council Resolution
69	Number of Audit action plans developed for 2023/2024	Page 194-198	Opex	1	N/A	N/A	1	N/A	1	Approved Audit Action Plan Minutes of Audit Committee Meetings
70	Number of annual financial statements submitted to Auditor General by 31 August 2024	Page 194-198	Opex	1	1	N/A	N/A	N/A	1	Acknowledgement of submiss to AG
71	Number of Council Resolutions outstanding for the Department	Page 102	OPEX	0	0 (zero)	0 (zero)	0(zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions
New KPI	Number of AG Audit findings addressed by 30 June 2025	Page 102	Page	OPEX	0	N/A	24	New KPI	New KPI	Audit Action Plan progress

DEPARTMENT OF THE MUNICIPAL MANAGER
REVISED HIGH-LEVEL 2024/2025 SDBIP
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

MTSF 2019-2024 Priority			A Capable, Ethical and Developmental State							
MTSF Indicator and Targets			Improved Audit Outcome							
Strategic Goal			Promote good governance, organisational development and sound financial management							
Strategic Objective			Sustain good corporate governance through effective and accountable clean administration							
KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2023/24	2024/2025				REVISED ANNUAL TARGET	POE
					Q1	Q2	REVISED Q3	REVISED Q4		
IDP										
193	Number of IDP Review Process Plans	Page 34-35	OPEX	1	1	N/A	N/A	N/A	1	1 x Approved IDP Process Plan 2024/25 and Council Resolution
194	Number of draft IDP-documents for 2024/25	Page 34-35	OPEX	1	N/A	N/A	1 (Draft)	N/A	1	1 x draft IDP document 2024/25
195	Number of IDP Pre- Strategic Planning Session	Page 34-35	OPEX	1	N/A	1	N/A	N/A	1	1x Pre- Strategic Planning Report
196	Number of IDP Strategic Planning Session	Page 34-35	R50 000	1	N/A	N/A	1	N/A	1	1 x Strategic Planning Report
197	Number of adopted IDP 2024/25 documents	Page 199	OPEX	1	N/A	N/A	N/A	1	1	1 x IDP adopted for 2024/25 and Council Resolution
INTERNAL AUDIT										
198	Number of Internal Audit Plans reviewed	Page 222	OPEX	1	1	N/A	N/A	N/A	1	1 x Internal Audit Plan reviewed. Audit Committee minutes.
199	Number of Internal Audit Charters reviewed	Page 222	OPEX	1	1	N/A	N/A	N/A	1	1 x Reviewed Internal Audit Charter. Audit Committee minutes.
200	Number of Internal Audit Methodology reviewed	Page 222	OPEX	1	1	N/A	N/A	N/A	1	1 x Reviewed Internal Audit Methodology. Audit Committee minutes.
201	Number of Audit Committee Charters reviewed	Page 222	OPEX	1	1	N/A	N/A	N/A	1	1 x Reviewed Audit Committee Charter. Audit Committee minutes.
RISK										
202	Number of reports on the Risk Register submitted to the Risk Management Committee	Page 222	OPEX	4	1	1	1	1	4	4 x reports on the Risk Register submitted to the Risk Management Committee
203	Number of reports on the Risk Register submitted to the Risk Management Committee	Page 222	OPEX	4	1	1	KPI REMOVED DURING THE REVISION OF THE SOBIP			

KPI ID#	KPI	IDP Link	Budget R 600's	Baseline: 2022/23	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
RISK										
204	Number of reports on the Risk Register submitted to the Risk Management Committee	Page 222	OPEX	4	1	1	KPI REMOVED DURING THE REVISION OF THE SOBIP			
	Number of reports on the Risk Register submitted to the Risk Management Committee	Page 222	OPEX	4	1	1	KPI REMOVED DURING THE REVISION OF THE SOBIP			
	Number of reports on the Risk Register submitted to the Audit Committee	Page 222	OPEX	4	1	1	1	1	No changes	1 x reports on the Risk Register submitted to the Audit Committee
205	Number of Risk Management policies to be reviewed	Page 222	OPEX	New KPI	N/A	1	N/A	N/A	1	Risk management policy and Council Resolution
OFFICE OF THE MUNICIPAL MANAGER										
206	Number of FORMAL performance assessments arranged for the Accounting Officer (Section 54a Manager)	Page 91	OPEX	New KPI	Secure a date and Committee for Q4 assessment (2023/24)		Secure a date and Committee for Q2 assessment (2024/25)	N/A	2	Confirmation of date and Committee members: Memo from the Office of the Executive Mayor
OFFICE OF THE MUNICIPAL MANAGER										
207	Number of draft Annual Reports for 2023/24 submitted to Council by 31 January 2025	Page 91	OPEX	1	N/A	N/A	1	N/A	1	Draft Annual Report. Council resolution
208	Number of final Annual Reports for 2023/24 submitted to Council by 31 March 2025	Page 91	OPEX	1	N/A	N/A	1	N/A	1	Final Annual Report. Council resolution
209	Number of Annual Report Process Plans developed and submitted to the Performance Audit Committee	Page 91	OPEX	1	1	N/A	N/A	N/A	1	Annual Report Process Plans developed. Report to the Performance Audit Committee
210	Number of Oversight reports I.r.o the Annual Report approved by Council	Page 91	OPEX	1	N/A	N/A	N/A	1	1	Council resolution Oversight report
PERFORMANCE MANAGEMENT										
211	Number of FORMAL performance assessments done for the Accounting Officer (Section 54a Manager)	Page 94	OPEX	0	N/A	N/A	1 x (for Q1 of 2022/23) and 1 x (for Q2 of 2023/24)	N/A	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)
212	Percentage of Senior Management's INFORMAL Performance evaluations conducted quarterly.	Page 94	OPEX	100%	100%	100%	100%	100%	100%	Quarterly Scorecards for informal assessments done for Senior Managers

KPI ID#	KPI	SDP Link	Budget R 000's	Baseline 2022/23	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
PERFORMANCE MANAGEMENT										
213	Number of FORMAL performance assessments done for Senior Managers (Section 56 Managers)	Page 94	OPEX	1	1 (for Q1 of 2022/23)	N/A	N/A	1 (for Q2 of 2023/24)	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)
214	Number of quarterly Institutional Performance report submitted to council	Page 94	Opeex	4	1	1	1	1	4	4x Quarterly Institutional Performance Report and council resolution
215	Number of Final 2025/2026 SDGEPs approved by Executive Mayor within 28 days after approval of Budget	Page 94	Opeex	1	N/A	N/A	N/A	1	1	Approved and signed SDGEP
216	Number of Revised 2024/2025 SDGEPs approved by Council	Page 94	Opeex	1	N/A	N/A	1	N/A	1	Approved Revised SDGEP and Council Resolution
WARD COMMITTEES										
217	Number of Reports on Ward Committee meetings held and submitted to Council	Page 277	Opeex	4	1	1	1	1	4	1 x Reports on issues raised in Ward Committee Meetings Council Resolutions
218	Number of Public Participation Annual Plans submitted and approved by Council	Page 277	Opeex	1	1	N/A	N/A	N/A	1	Public Participation Annual Plans approved by Council
TRANSVERSAL ISSUES/ HIV / SPORT										
219	Number of Gender Development Strategy to be developed and submitted to Council	Page 54	OPEX	NEW KPI	N/A	1	N/A	N/A	1	Gender Development Strategy Council Resolution
220	Number of LAC Annual Plans developed and submitted to the LAC Committee	Page 54	OPEX	NEW KPI	1	N/A	N/A	N/A	1	LAC Annual Plan- Minutes and attendance register of LAC Committee meeting
221	Number of GBV Policies to be developed and submitted to Council	Page 54	OPEX	NEW KPI	N/A	1	N/A	N/A	1	GBV Policy and Council Resolution
ADMINISTRATION SUPPORT										
222	Number of Council Resolutions outstanding for the Department	Page 89	OPEX	2	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions

DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 6: SPATIAL PLANNING										
MTSF 2019-2024 Priority			Spatial Integration , Human Settlement and Local Government							
MTSF Indicator and Target:			Percentage of Households Living in Formal Dwellings : 21,81%							
Strategic Goal			Provide a Safe ,Healthy Environment							
Strategic Objective			Plan and Develop integrated and sustainable human settlement and rural areas							
KPI IDs	KPI	IDP Link	Budget R 000's	Baseline 2022/23	2024/2025					POE
					Q1	Q2	REVISED Q3	REVISED Q4	REVISED ANNUAL TARGET	
SPATIAL PLANNING										
252	Number of reports to Council on compliance to Building Regulations quarterly	Page 253-266	OPEX	1	1	1	1	4	4	4 x reports to Council on compliance to Building Regulations. Council Resolutions
253	Number of Reports to Council of alienated municipal sites	Page 253-2668	Page 114-116	18	5	5	5	5	20	Reports submitted to Council on alienated municipal sites
ADMINISTRATION SUPPORT										
254	Number of Council Resolutions outstanding for the Planning Unit	Page 89	OPEX	10	0 (zero)	0 (zero)	0 (zero)	0 (zero)	0 (zero)	List of outstanding Council Resolutions

3.29) The Key Performance Indicators that were not achieved during the current year (2024/2025)

TARGETS NOT ACHIEVED										
ANNUAL PERFORMANCE REPORT 2024/2025										
DEPARTMENT CORPORATE SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 1: Municipal Transformation & Institutional Development										
Strategic Objective		To provide effective, efficient and transformed human resources								
KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
ADMINISTRATION										
2	Number of Council Resolutions outstanding for the Department Corporate Services	0	1 (zero)	List of outstanding Council Resolutions	0	2		Not achieved	Awaiting applicant to sign lease agreement 2. Awaiting legal opinion from service provider	1. To follow up on applicant to sign lease agreement 2. To follow up on service provider for legal opinion
HUMAN RESOURCES										
15	Number of FORMAL performance assessments done for Middle Managers	New KPI	3	3 x Formal Performance Assessments reports for Middle Managers	New KPI	0		Not Achieved	Supervisors awaiting for training to conduct assessment for the Middle Managers	The follow up will be made with SALGA and COGISA for the training of the supervisors

TARGETS NOT ACHIEVED											
ANNUAL PERFORMANCE REPORT 2024/2025 FY											
DEPARTMENT INFRASTRUCTURE SERVICES											
REVISED HIGH-LEVEL 2024/2025 SDBIP											
KPA 2: BASIC SERVICE DELIVERY											
Strategic Objective		To provide access to basic service to the households									
KPI ID#	KPI	Budget	Baseline 2023/24	REVISED ANNUAL TARGET	POE	2023/24 ACTUAL PERFORMANCE	2024/25 ASPIRATIONAL PERFORMANCE	Reasoning for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
ACCESS TO BASIC SERVICES: WATER AND SANITATION											
29	Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (Multi-year project. Year 1 of 3)	M/G R3 114 116	NEW KPI	25%	Advert & Tender for construction, Appointment of contractor, Progress reports.	NEW KPI	5% progress of refurbishment of Water Treatment Works: Volksrust (Multi-year project. Year 1 of 3)		Not Achieved	Request to tender was refused and by the Appointment contractor to the municipality is needed to start construction in 2025	The progress will be reported in the next financial year
NEW KPI	Percentage of progress in terms of Sewer Refurbishment project: Volksrust (Multi-year project. Year 1 of 3)	WSIG R4 000 000	NEW KPI	3%	Injection, Preliminary & Detailed Design reports, Advert & Tender for Construction, Appointment of contractor, Construction 3%	NEW KPI	1% completion of work on sewerage design		Not Achieved	Let to start work on design from the appointed consultant	The consultant has been given a period of 3 months to complete the design of the sewer network
ELECTRICAL SERVICES											
30	Number of Households provided with electricity in Vuluzulu A & B	INEP R17 832 000	NEW KPI	630000	Assessment and Design report/Progress reports & I X Project Close-out report, Completion certificates	NEW KPI	Pole planting, House Connections and stringing of LV line		Not Achieved	Construction of the network was not completed due to the project progress and that there is no progress report on the project	Upon the completion of the network the progress will be reported in the next financial year
ADMINISTRATIVE SUPPORT											
32	Percentage spent on 2024/25 grant by 30 June 2025	INEP R17 832 000	100%	100%	Expenditure progress report	100,00%	60,00%		Not Achieved	None Reported	Approval of disbursement of funds and transfer the project
34	Percentage spent on WSIG grant by 30 June 2025	WSIG R51 506 000	100%	100%	Expenditure progress report	100%	90%		Not Achieved	Let to start work on design from the appointed consultant	Approval of disbursement of funds and transfer the project

TARGETS NOT ACHIEVED										
ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT OF BUDGET AND TREASURY										
REVISED HIGH -LEVEL SDBIP										
KPA 4: Municipal Financial Viability and Management										
Strategic Objective										
KPIIDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
REVENUE										
46	Percentage of quarterly revenue collected	39%	50%	Collection rate reports	39%	30%		Not Achieved	Due to interruption by the community the credit control policy was inadequately implemented	To educate community to pay the services rendered and the notice will be issued to remind customers to pay.
ADMINISTRATIVE SUPPORT										
New KPI	Number of AG Audit findings addressed by 30 June 2025	OPEX	New KPI	Audit Action Plan progress	16	Not Achieved		Not Achieved	The due date for the action to be implemented overlaps to the new financial year which most of them is 31 August 2025.	The actions will be addressed by the 31 August 2025

TARGETS NOT ACHIEVED										
ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT OF THE MUNICIPAL MANAGER										
REVISED HIGH -LEVEL SDBIP 2024/2025										
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
Strategic Objective		Sustain good corporate governance through effective and accountable clean administration								
KPI ID#	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POB	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
RISK										
202	Number of reports on the Risk Register submitted to the Risk Management Committee	4	4	4 x reports on the Risk Register submitted to the Risk Management	4	2		Not Achieved	The contract of the Risk chairperson lapsed	The municipality is in the process of appointing a new Risk Chairperson
OFFICE OF THE MUNICIPAL MANAGER										
206	Number of FORMAL performance assessments arranged for the Accounting Officer (Section 54a Manager)	New KPI	2	Confirmation of date and Committee members: Memo from the Office of the Executive Mayor	New KPI	1		Not achieved	Unable to get the panel together on set date	Confirmed that Mid year 2024/2025 performance assessments will take place during in Q1 of the New Financial year 2025/2026
PERFORMANCE MANAGEMENT										
211	Number of FORMAL performance assessments done for the Accounting Officer (Section 54a Manager)	0	2	Formal Performance Assessments reports for Senior Managers (Section 56 Manager)	2	1		Not achieved	Unable to get the panel together on set date	Confirmed that Mid year 2024/2025 performance assessments will take place during in Q1 of the New Financial year 2025/2026

TARGETS NOT ACHIEVED										
ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES										
REVISED HIGH-LEVEL 2024/2025 SDBIP										
KPA 6: SPATIAL PLANNING										
Strategic Objective		Plan and Develop integrated and sustainable human settlement and rural areas								
KPIIDs	KPI	Baseline 2022/23	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
ADMINISTRATION SUPPORT										
254	Number of Council Resolutions outstanding for the Planning Unit	10	0 (zero)	List of outstanding Council Resolutions	10	5		Not Achieved	It was submitted to council and was agreed	To be submitted in the next council meeting

3.30) CAPITAL WORKS PLAN 2024/2025

CAPITAL WORKS PLAN 2024/2025

Municipal Infrastructure Grant (MIG)

NO.	PROJECT NAME	2024/25
1.	Refurbishment of Volksrust Water Treatment Plant	R 3 114 115,70
2.	Refurbishment of boreholes	R 3 500 000,00
3.	Construction of toilets in Wards 1, 9, 10 & 11	R 3 000 000,00
4.	Procurement of a Compactor Truck	R 2 200 000,00
5.	Water reticulation in Ward 10	R 1 944 650,30
6.	Construction of paved roads in Wards 9 & 11	R 4 000 000,00
7.	Construction of Combo Courts in Daggakraal	R 4 000 000,00
8.	Construction of paved roads in Ward 1	R 6 000 000,00
9.	Construction of paved roads in Ward 2	R 2 084 600,00
10.	Construction of paved roads in Ward 3	R 2 658 984,00
TOTAL		R 32 502 350,00

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

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				Variance %
	Approved Posts No.	Employees No.	Vacancies No.		
Water & Sanitation	72	53	22		28%
Electricity	12	7	5		18%
Solid Waste Management	53	42	11		29%
Housing	1	1	0		0%
Road and Stormwater	48	21	27		57%
Planning	7	4	3		0%
Local Economic Development & IDP	3	3	0		0%
Libraries, Archives, Buildings	21	14	7		9%
Parks & Cemeteries	21	16	5		53%
Waste Disposal	53	42	11		30%
Fire Services	9	8	1		0%
Licensing and Protection Services	15	9	6		14%
Finance	40	34	6		18%
Human Resources	5	4	1		0%
ICT	3	2	1		0%
Legal/Records/Administration	7	6	1		9%
Totals	370	266	107		29%
Totals are excluding Directors. Employee and Approved Posts numbers are as at 30 June.					
T4.1.1					

Vacancy Rate 2024/2025

Designations	*Total Approved Posts No.	Vacancies No.	*Variances (as a proportion of total posts in each category) %
Municipal Manager	1	1	100%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	4	1	25%
Other S57 Managers (Finance posts)	0	0	0%
Municipal Police	0	0	0%
Fire fighters	8	0	0%
Senior management: Levels 0-3 (excluding Finance Posts)	15	1	7%
Senior management: Levels 0-3 (Finance posts)	5	2	40%
Highly skilled supervision: levels 4 - 6 (excluding Finance posts)	9	4	44%
Highly skilled supervision: levels 4-6 (Finance posts)	9	5	56%
Total	52	15	29%
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			

T4.1.2

Turn – over Rate 2024/2025			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
2022/2023	300	13	4%
2023/2024	26	26	100%
2024/2025	5	27	5%

*Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year.

T4.1.3

COMMENT ON VACANCIES AND TURNOVER:

During the 2024/2025 Financial year, we saw a decrease in labour turnover at lower positions. As a Municipality we had to make use of Special programmes like Siyathuthuka, CWP and EPWP to ensure that there is a minimum disruption in the service delivery of services. The Municipality could not fill those positions due to budget constraints and low collection rates; however, we are still making sure that critical positions are filled through a motivation to the Accounting Officer from the department concerned.

T4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

HR POLICIES: The most critical policies that were reviewed during the 2024/2025 financial year: Acting Allowance Policy, Appointment of Temporal and Part-time employee, Overtime Policy, Recruitment & Selection; HRD Policy; Transfer Policy; Promotions Policy; Retention Strategy and were approved by Council.

DRAFT POLICIES: The pace of finalising draft policies by Council seems to be going pretty well. Organised Labour is given an opportunity to make inputs on draft policies.

PERSONNEL MANAGEMENT: Council makes use of the Pay Day System and the electronic leave-system is implemented by the Corporate Services Department. The process of phasing in the electronic leave system is busy unfolding to the Finance Department, the IDP SECTION and the Municipal Manager's Department.

SKILLS DEVELOPMENT: The WSP for 2024/2025 was completed and submitted to the HRD Committee, the Local Labour Forum, the Corporate and Community Services Portfolio Committee and Council.

T4.2.0

4.2 POLICIES

HR Policies and Plans for 2024/2025			
Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
Acting Allowance Policy	100%	100%	30/05/2024
Appointment of Temporal Worker's policy	100%	100%	30/05/2024
Code of Conduct for employees	100%	0%	Extracted from MSA of 2000 (A2/2004)
Communication Strategy	100%	100%	30/07/2024
Customer Care Policy	100%	100%	30/07/2024
Danger Allowance Policy	100%	100%	30/05/2024
Delegations, Authorisation & Responsibility	100%	100%	30/01/2024 (A48/2024)
Disciplinary Code and Procedures	100%	0%	Competency of Bargaining Council (A2/2004)
Education, Training & Development Policy	100%	100%	30/05/2024
Essential Services	100%	0%	A8/2009
Employment Equity Plan	100%		30/01/2024 (A48/2024)
Exit Strategy	100%	0%	(A79/2009)
Furniture Removal assistance to newly appointed employees' policy	100%	100%	30/05/2024
Grievance Procedures	100%	0%	Competency of Bargaining Council (B50/2006)
HIV/Aids policy	100%	0%	A164/2020
Human Resource and	100%	100%	30/05/2024

Development				
Induction policy	100%	0%		(A79/2009)
Internal Bursary policy	100%	100%		30/05/2024
Job Evaluation policy	100%	100%		
Leave Policy	100%	100%		30/05/2024
Medical Aid policy	100%	100%		30/05/2024
Occupational Health & Safety policy	100%	0%		A48/2018
Organisational Rights	100%	0%		Collective Agreement

Overtime Policy	100%	100%	30/05/2024
Performance Management Policy	100%		27/06/2024 (A258/2024)
Promotion Policy	100%	100%	30/05/2024
Payroll management and administration policy	100%	100%	30/05/2024
Recruitment, Selection & Appointment policy	100%	100%	30/05/2024
Remuneration Scales and Allowances policy	100%	100%	Bargaining Council
Retention Strategy	100%	100%	30/05/2024
Sexual Harassment policy	100%	0%	A4/2006
Smoking policy	100%	0%	A66/2006
Standby policy	100%	100%	30/05/2024
Student Assistance policy	100%	100%	30/05/2024
Transfer policy	100%	100%	30/05/2024
Travelling policy	100%	100%	30/05/2024
Uniforms and Protective Clothing Policy	100%	0%	A89/2019
Vehicle policy	100%	0%	2022
Work Organisational structure policy	100%	100%	31/05/2024 A252/2024
Use name of local policies if different from above and at any other HR policies not listed.			T4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

Human Resource related policies are reviewed annually during the budget process.

T4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

IOD CASES: 2 x I.O.D cases were reported in the 2024/25 financial year.

1 x Injury-on-Duty Cases reported in the 2023/24 financial year.

(2) x temporal employee

SUSPENSIONS:

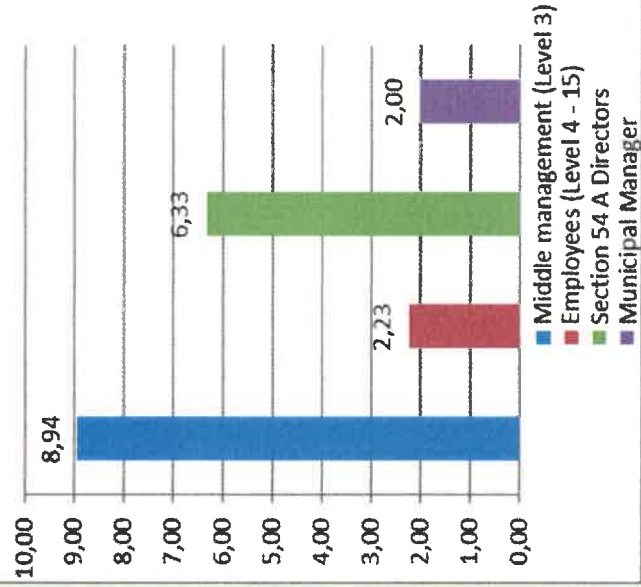
2 x Suspension cases: On going cases.

- For alleged fraud and corruption.
- Corruption

Number and Cost of Injuries on Duty for 2024/ 2025						
Type of Injury	Injury Leave Taken Days	Employees using injury leave No.	Average injury leave taken per employee %	Average Injury Leave per employee Days	Total Estimated Cost R'000	
Required basic medical attention only	0	0	0%	0	0	
Temporary total disablement	13	2	40%	10	5277,73	
Permanent disablement	0	0	0%	0	0	
Fatal	0	0	0%	0	0	
Total	13	2	40%	10	5277,73	T 4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post*	** Average sick leave per Employees	Days
Middle management (Level 3)	105	0%	12	18		8,94
Employees (Level 4 - 15)	752	0%	77	221		2,23
Section 54 A Directors	19	0%	2	3		6,33
Municipal Manager	3	0%	1	1		2,00
Total	879	0%	92	243		3,62
* - Number of employees in post at the beginning of the year ** Average calculated by taking sick leave in column 2 divided by total employees in column 5. T4.3.2						

Average number of Days sick leave (Excluding IOD's)



COMMENT ON INJURY AND SICK LEAVE:

A significant decrease in IOD (Injury on Duty) cases for 2024/2025 was experienced. All Supervisors were trained in Health and Safety in the workplace, and regular health and safety audits were conducted.

Departments are assisting in enforcing good safety practices and the enforcement of using protective clothing and equipment.

T4.3.4

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalised
2024/ 2025				
Cashier	Dishonesty and Theft	Oct-24	Dismissal	06-May-25
Low-Tension Operator	Gross Dishonesty and Insubordination	17-Jul-25	Disciplinary hearing still in process	N/A
General Assistant	Absenteeism and appropriation of the municipality property	17-Jul-25	Disciplinary hearing still in process	N/A
T4.3.5				

Disciplinary Action Taken on cases of Financial Misconduct 2024/ 2025				
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date finalised	
Cashier	Dishonesty and Theft	Dismissal	06-May-25	
Low-Tension Operator	Gross Dishonesty and Insubordination	Suspended	N/A	
General Assistant	Absenteeism and Appropriation of the municipality	Suspended	N/A	
T4.3.6				

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT
The Municipality needs to tighten and strictly adhere to its control measures and procedures.
T4.3.7

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender - 2024/2025				
Designations	Beneficiary profile			Proportion of beneficiaries within group
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards
				R' 000
				%

Lower skilled (Levels 1-2)	Female	N/A NO PERFORMANCE AWARDS	
	Male		
Skilled (Levels 3-5)	Female		
	Male		
Highly skilled production (levels 6-8)	Female		
	Male		
Highly skilled supervision (levels 9-12)	Female		
	Male		
Senior management (Levels 13-15)	Female		
	Male		
MM and S57	Female		
	Male		
Total			
Has the statutory municipal calculator been used as part of the evaluation process?			N/A
Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP' ... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).			

T4.4.1

COMMENT ON PERFORMANCE REWARDS:

Council has an approved Performance Management Framework. Section 56 & 54A employees are only assessed through the Organisational Performance Management System (OPMS) using the Scorecards.

The Performance Management and Development System Policy was aligned with the Performance Management and Development Framework as well as the Municipal Staff Regulations, in order to accommodate the cascading of PMS to all staff.

As from the 1st of July 2024, performance management was cascaded to Middle Managers-level.

Only informal performance assessments were done for the Section 56 employees for 2023/2024 and Mid-year 2024/2025. For the 2023/2024 financial year, no Section 56 & 54A managers received performance bonuses.

T4.4.1.1

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Policy: All HR Policies are reviewed on an annual basis and submitted to Council for approval.

Incumbent: All incumbents in positions are provided with training which brought a lot of changes in the workforce capacity development of the Municipality.

The Committee: The HRD Committee is active and meeting sitting as per the schedule.

The Budget: The municipality contributes the 1% from the total payroll in terms of the SDL requirements. The 1% forms the basis of the budget wherein Council makes a further provision for Skills Development.

The municipality developed the WSP and submitted to LGSETA for funding. Funding from LGSETA is recovered through the mandatory grants i.e., from implemented trainings and the discretionary grants which are refunded in compensation for trainings implemented to address the community needs through learnerships etc. Trainees are registered for several skills development through these funding.

MRTT and EPWP programmes played a significant role in supporting the skills development initiatives of the community members.

T4.5.0

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix								
Number of skilled employees required and actual for 2024/25								
Management level	Gender	Employees in post as at 30 June Year 2024/25	Skills programmes & other short courses		Other forms of training		Total	
			Actual: End of Year 2024/25	Year 2024/25 Target	Actual: End of Year 2024/25	Year 2024/25 Target	Actual: End of Year 2024/25	Year 2024/25 Target
MM and S56	Female	1	1	1	1	1	2	2
	Male	3	4	4	3	3	7	7
Councilors, senior officials and managers	Female	12	10	12	4	3	14	15
	Male	31	27	24	2	3	29	27
Technicians and associate professionals*	Female	9	3	5	3	2	6	7
	Male	36	8	22	16	15	24	37
Professionals	Female	10	6	5	4	3	10	8
	Male	7	5	5	4	2	9	7
Sub total	Female	32	20	23	12	9	32	32
	Male	77	44	55	25	23	69	78
Total		109	64	78	37	32	101	110
							T 4.5.1	

Financial Competency Development: Progress Report * 2024/2025				
Description	A. Total number of officials employed by municipality (Regulations 14(4)(a) and (c))	Consolidated: Competency assessments completed for A and B Regulation 14(4)(b) and (d)	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulations 14 (4)(e))
Financial Officials				
Accounting officer	1	1	1	0
Chief Financial Officer	1	1	1	0
Senior Manager	3	3	3	3
Any other financial official	3	3	3	3
Supply Chain Management Officials				
Heads of supply chain management units	0	0	0	0
Supply chain management senior managers	1	1	1	1
TOTAL	9	9	9	7
*This is a statutory report under the National Treasury: Local Government : MFMA Competency Regulations (June 2007)				

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY

The Workplace Skills Plan is adequate and addressed the skill gaps with scarce and critical skills to achieve employment equity targets within the organisation. The municipality has demonstrated a commitment to skills development, recognizing its importance in enhancing employee performance and service delivery. Noteworthy investments have been made in training programmes, including Focused on upskilling employees in critical areas.

Targeted at developing skills in specific departments. While the expenditure on skills development is commendable, there is room for improvement in: Aligning training programmes with strategic objectives, evaluating the impact and effectiveness of training initiatives.

Financial Competency:

The municipality has shown some financial competency, evident in: Effective management of budget constraints.

Prioritization of critical positions despite financial limitations.

The municipality can further enhance its financial competency and skills development initiatives, leading to improved service delivery and employee performance.

A range of learning programmes was initiated to Councillors, Ward Committee Members, Managers and General Workers with LGSETA, SALGA, COGTA, MISA, National Treasury and DPKISLM as funders.

T4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
NONE		
Those with disability are shown in brackets '(x)' in the		
		T4.6.2

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	N/A	N/A	N/A	N/A

T4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
N/A	N/A	N/A	N/A	N/A

T4.6.4

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

No positions were upgraded during the 2024/25 financial year.

T4.6.5

CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1 GRANTS

Grant Performance							R 000
Description	2023/2024	2024/2025			2024/2025		
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
<u>Operating Transfers and Grants</u>							
<u>National Government:</u>							
Equitable share	168 850 000	176 548 000	176 548 000	176 548 000	100%		100%
Municipal Systems Improvement Department of Water Affairs							
Levy replacement	15 000 000	53 606 000	53 606 000	43 558 402	81%		81%
Municipal Infrastructure Grant INEP	28 635 000	34 440 087	34 440 087	31 479 270	91%		91%
<u>Provincial Government:</u>							
Health subsidy		17 832 000	17 832 000	8 146 426	53%	53%	
Housing							
Ambulance subsidy							
Sports and Recreation							
Municipal Infrastructure Grant							
<u>Total Operating Transfers and Grants</u>							
Variances are calculated by dividing the difference between actual and original/ adjustments budget by the actual.							T5.2.1

5.2

Grants Received From Sources Other Than Division of Revenue Act (DORA) 2024/2025						
Details of Donor	Actual Grant	Actual Grant	Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received. Include description of any contributions in kind
parastatals						
			NONE			
Foreign Governments/Development Aid Agencies						
			NONE			
Private Sector / Organisations						
			NONE			
Provide a comprehensive response to this schedule						T5.2.3

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS 2024/2025

Capital Expenditure of 5 largest projects* 2024/ 2025						
Name of Project	Current Year			Variance Current Year		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
Refurbishment & Upgrading of Amersfoort WWTW	R47 106 000,00	R0,00	R41 527 783,05		88%	
Electrification of Vukuzakhe A and B 731HH	R17 832 000,00	R15 435 978,03	R9 335 978,00		52%	
Construction of paved roads in Vukuzakhe Ward 1	R6 000 000,00	R5 308 223,59	R5 308 223,59		88%	
Construction of paved roads in Ward 9 & 11	R4 000 000,00	R3 999 885,01	R3 999 885,01		100%	
Construction of combo courts in Daggakraal Ward 9, 10 & 11	R4 000 000,00	R3 999 999,96	R3 999 999,96		100%	
* Projects with the highest capital expenditure						

Name of Project - A	Refurbishment & Upgrading of Amersfoort WWTW	
Objective of Project	To enhance the capacity and efficiency of the waste water treatment process.	
Delays	None	
Future Challenges	Maintaining upgraded systems and managing increased operational costs.	
Anticipated citizen benefits	1 x Wastewater Treatment Works Refurbished and upgraded	
Name of Project - B	Electrification of Vukuzakhe A and B731H#1	
Objective of Project	To provide reliable electrical infrastructure to households in Vukuzakhe.	
Delays	None	
Future Challenges	Ensuring consistent maintenance and addressing potential future system failures.	
Anticipated citizen benefits	1 x Water Treatment Works refurbished	
Name of Project - C	Construction of paved roads in Vukuzakhe Ward 1	
Objective of Project	To provide a durable and safe road infrastructure, improving accessibility and transportation.	
Delays	None	
Future Challenges	Managing stormwater runoff to prevent road deterioration and Protecting road infrastructure from flooding.	
Anticipated citizen benefits	550m x Paved road constructed	
Name of Project - D	Construction of paved roads in Ward 9 & 11	
Objective of Project	To provide a durable and safe road infrastructure, improving accessibility and transportation.	
Delays	None	
Future Challenges	Ensuring long-term durability and managing wear and tear from increased traffic.	
Anticipated citizen benefits	600m x Paved roads constructed	
Name of Project - E	Construction of combo courts in Daggakraal Ward 9, 10 & 11	
Objective of Project	To build multi-sport facilities to promote recreation and community cohesion.	
Delays	None	
Future Challenges	Ensuring long-term upkeep, security, and scheduling for community use.	
Anticipated citizen benefits	3 x combo courts constructed	

COMMENT ON CAPITAL PROJECTS:

The municipality does not have long term projects; the projects are only based on a one-year contract.

T5.7.1.1

5.3 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Municipality is progressing well in addressing infrastructure backlog during the 2024/2025 FY with the grant funding. Currently the municipality has addressed some backlogs in all basic services. MIG grant is used specifically to eradicate backlogs in all financial years.

T5.8.1

Service Backlogs as at 30 June 2024					Households (HHs)	
* Service level above minimum standard		% HHs		** Service level below minimum standard		% HHs
	No. HHs			No. HHs		
Water	22546		94%	25195		6%
Sanitation	22546		97%	25195		3%
Electricity	22546		92%	25195		8%
Waste management	22546		92%	25195		4%
% HHs are the service above/below minimum standard as a proportion of total HHs.						
'Housing' refers to * formal and ** informal settlements.						
T5.8.2						

Municipal Infrastructure Grant (MIG)* Expenditure 2023/2024 on Service backlogs							R 000
Details	Budget	Adjust- ment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget	Adjustment Budget		
Infrastructure - Road transport							
Roads, Pavements & Bridges	0	0	0			None	
Storm water							
Infrastructure - Electricity							
Generation							
Transmission & Reticalation	0	0	0			None	
Street Lighting	1 000 000		734 831	73%	0%		
Infrastructure - Water							
Dams & Reservoirs							
Water purification	1 668 842		1 477 254	87%			
Reticalation		0				None	
Infrastructure - Sanitation							
Reticalation	0		0			None	
Sewerage purification	5 009 289	0	4 355 904	87%	100%	None	
Infrastructure - Other							
Waste Management							
Transportation			2 973 886	100%	100%		
Gas							
Other Specify:							
Total	7 678 131		9 541 873	87%		None	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.							T5.8.3

COMMENT ON BACKLOGS:

The Municipality is progressing well in addressing infrastructure backlog during the 2024/2025 FY with the grant funding. Currently the municipality has addressed some backlogs in all basic services thus Dr Pixley ka Isaka Seme Municipality is the best performing municipality in Mpumalanga in terms of water provision. MIG & WSIG grant is used specifically to eradicate backlogs in all financial years.

T5.8.4

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

5.4

Actual Borrowings 2024/2025
NOT APPLICABLE
T5.10.2

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL REPORT

6.1 AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2022/2023

The report of the Auditor General for 2024/2025 is attached hereto.

T6.2.3

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “what we do”
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.

Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	• Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measures.

Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: <i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i> <i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councilors, Committees Allocated and Council Attendance 2024/2025					
Council Members	Full Time / Part Time	Committees Allocated	Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance and without leave of absence
	FT/PT	01 July 2024 to 30 June 2025		%	%
De Jager L	PT	MPAC, Policies and By-Laws Chairperson, Rules Ethics and Disciplinary Chairperson, Finance Portfolio Committee	DA	79%	21%
Dlamini C S	PT	MPAC, Policies and By-Laws Committee, LIF, Economic Development & Planning Committee, Infrastructure & Engineering Services Portfolio Committee	ANC	93%	7%
Du Toit C J	PT	None	DA	71%	29%
Gangat A F	PT	MPAC, Finance Portfolio Committee, Corporate & Community Services Portfolio Committee	ANC	100%	0%
Hasdebel L	PT	MPAC, Infrastructure & Engineering Services Portfolio Committee	F45D	79%	21%
Hakuse TV	FT	MMC Infrastructure & Engineering Services Portfolio Committee, Mayoral Committee	ANC	100%	0%
Khumalo G L	PT	LIF	EFF	64%	36%
Lephoto E N	PT	Rules Ethics and Disciplinary Chairperson, Infrastructure & Engineering Services Portfolio Committee	EFF	36%	64%
Mahleba F E	PT	LGNC, Economic Development and Planning Services Portfolio Committee	JEP	29%	71%
Maseko H	PT	Policies and By-Laws Committee, Finance Portfolio Committee	ANC	79%	21%
Mavuso B G	FT	Speaker, Rules Ethics and Disciplinary Chairperson	ANC	100%	0%
Mbethe Z G	PT	MPAC Chairperson	ANC	93%	7%
Mhlango B J	FT	Executive Mayor, MMC Finance, Mayoral Committee	ANC	100%	0%
Mncube N S	PT	MPAC, LGNC Chairperson, Corporate & Community Services Portfolio Committee	ANC	100%	0%
Motha M S	PT	MPAC, Corporate & Community Services Portfolio Committee	EFF	29%	71%
Msibi N W	FT	MMC Corporate & Community Services Portfolio Committee, Mayoral Committee	ANC	86%	14%
Ngema X B	PT	LGNC, Employment Equity Committee Chairperson, Economic Development and Planning Services Portfolio Committee	ANC	100%	0%
Sangweni M Z	PT	MPAC, Bursary Committee, Infrastructure & Engineering Services Portfolio Committee	ANC	100%	0%
Shabangu O T	PT	LGNC, Bursary Committee	APEMO	50%	50%
Thwala T H	FT	MMC Economic Development and Planning Services Portfolio Committee, Mayoral Committee	ANC	79%	21%
Zulu B T A	FT	Whip of Council, Rules Ethics and Disciplinary Chairperson, LIF,	ANC	93%	7%
T.A					

PENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
LOCAL LABOUR FORUM	PLATFORM TO DISCUSS AND RESOLVE LABOUR ISSUES
IDP, LED + BUDGET STEERING	TO PROMOTE ADHERENCE AND PARTICIPATION IN THE IDP, LED AND BUDGET PROCESS
MPAC (MUNICIPAL PUBLIC ACCOUNTS COMM)	OVERSIGHT COMMITTEE TO ENSURE ACCOUNTABILITY ON ALL MUN. ACTIVITIES
POLICIES & BY-LAWS	DEVELOP AND REVIEW NEW AND EXISTING POLICIES BY-LAWS
RULES, ETHICS & DISCIPLINARY	DEVELOP, REVIEW, MONITOR IMPLEMENTATION OF CODES AND DISCIPLINARY PROCESSES
TOURISM, WETLANDS & ENVIRONMENTAL AFFAIRS	PROMOTE TOURISM AND APPLY ENVIRONMENTAL STATUS
OVERSIGHT ON FINANCE & PLANNING	REGULATE AND CONTROL THE USAGE OF FINANCES AND PLANNING
LOCAL GEOGRAPHICAL NAMES	TO PROMOTE STANDARDIZATION OF NAMES OF PUBLIC PLACES
AGRICULTURE & RURAL DEVELOPMENT	PROMOTE THE DEVELOPMENT OF RURAL AREAS
MRMA BUDGET STEERING	TO PROMOTE ADHERENCE TO MRMA REGULATION
AUDIT COMMITTEE	TO PROVIDE OVERSIGHT OF THE FINANCIAL REPORTING PROCESS, THE AUDIT PROCESS, THE SYSTEM OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS AND REGULATIONS
PERFORMANCE AUDIT COMMITTEE	TO REVIEW ALL QUARTERLY PERFORMANCE REPORTS AND THE PMS SYSTEM AND MAKE RECOMMENDATIONS TO COUNCIL
RISK MANAGEMENT COMMITTEE	DEAL WITH RISK MANAGEMENT ISSUES IN THE MUNICIPALITY
T2	

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure 2024/2025	
Directorate	Director /Manager (Title and Name)
Municipal Manager's Office	Municipal Manager : Mr. M A Ngcobo (Appointed 1 March 2023)
	Manager in the office of the MM – Vacant
	IDP/LED Manager : Vacant
	Internal Auditor : Ms.G Zwane
	Chief Risk Officer : Mr. T Maseko
Corporate Services	Manager PMS : Ms.L Jordan
	Director Corporate Services : Mr. F I Mofokeng (Appointed 1 September 2023)
	Manager :Human Resources : Mr.M Shabangu
	Manager Legal and Administration : Mr.M H Maroun
	Manager Communication : Mr.S Ndhlela
	Manager Labour Relations and OHS :Mr.S Dube
	IT Technicians : Mr.S Masango and 1 post vacant
Infrastructure and Engineering Services	Director : Vacant
	Manager : Public Works : Mr.M Msibi
	Manager : Electrical and Workshop : Mr.R Nkabinde
	Manager Water and Sanitation : Vacant
	PMU Manager : Ms.MN Mabhengu
	Town Planner : Vacant
	Senior Technical Assistant : Vacant
Budget and Treasury Office	Building Inspector : Vacant
	Mrs.N L Khuzwayo CFO (appointed 1 March 2023)
	Manager Revenue : Ms.N N Magubane
	Supply Chain Manager : Ms.MSP Ralimoto
	Manager Expenditure :Mrs. T Van Der Linde
Community Services	Manager :Budget and Treasury Office : Ms.MP Mulaudzi
	Director Community Services : Mr.M G Nyembe (Appointed 1 March 2023)
	Manager :Special Programmes : Mr.B L Ngwenya

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		Function Applicable to Municipality (Yes/ No)*
MUNICIPAL FUNCTIONS		
Constitution Schedule 4, Part B functions		
Air pollution		No
Building regulations		Yes
Child care facilities		No
Electricity and gas reticulation		Yes
Firefighting services		Yes
Local tourism		Yes
Municipal airports		No
Municipal planning		Yes
Municipal health services		No
Municipal public transport		No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto		N/A
Stormwater management systems in built-up areas		Yes
Trading regulations		Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		Yes
Beaches and amusement facilities		N/A
Billboards and the display of advertisements in public places		Yes
Cemeteries, funeral parlours and crematoria		Yes
Cleansing		Yes
Control of public nuisances		Yes
Control of undertakings that sell liquor to the public		Yes
Facilities for the accommodation, care and burial of animals		Yes
Fencing and fences		Yes
Licensing of dogs		Yes
Licensing and control of undertakings that sell food to the public		Yes
Local amenities		Yes
Local sport facilities		Yes
Markets		Yes
Municipal abattoirs		Yes
Municipal parks and recreation		Yes
Municipal roads		Yes
Noise pollution		Yes
Pounds		Yes
Public places		Yes
Refuse removal, refuse dumps and solid waste disposal		Yes
Street trading		Yes
Street lighting		Yes

APPENDIX E – FUNCTIONALITY OF WARD COMMITTEES 2024 / 2025

Functionality of Ward Committees 2024 / 2025					
Ward Name (Number)	Name of Ward Councillor and Elected ward committee members	Committee established (Yes / No)	Number of Monthly Committee meetings held during the year	Number of Monthly report submitted to Speaker's Office on time	Number of Quarterly Public ward meetings held during the year
Ward 1	CLLR BTA ZULU	YES	12	12	4
Ward 2	CLLR XB NGEMA	YES	12	12	4
Ward 3	CLLR TV HLAKUTSE	YES	12	12	4
Ward 4	CLLR AF GANGAT	YES	12	12	4
Ward 5	CLLR NS MNCUBE	YES	12	12	4
Ward 6	CLLR NW MSIBI	YES	12	12	4
Ward 7	CLLR TH THWALA	YES	12	12	4
Ward 8	CLLR H MASEKO	YES	12	12	4
Ward 9	CLLR CS DLAMINI	YES	12	12	4
Ward 10	CLLR ZG MBETHE	YES	12	12	4
Ward 11	CLLR MZ SANGWENI	YES	12	12	4

Challenges experienced in Wards:

1. Youth Unemployment rate is high.
2. Substance abuse and crime rate is high.
3. Slow attendance of issues raised by the community through ward committees.

APPENDIX F – WARD INFORMATION

HIGH LEVEL CHALLENGES PER WARD AND REMEDIAL ACTIONS			
Ward Name (Number)	Name of Ward Councillor and Elected ward committee members	High level challenge	Remedial action
Ward 1	CLLR BTA ZULU	Title Deeds issues	Provincial Human Settlements is addressing the issue
Ward 2	CLLR XB NGEMA	Shortage of land for residential use	Township establishments need to be fast tracked
Ward 3	CLLR TV HLAKUTSE	Community request RDP Houses	Provincial Human Settlements is addressing the issue
Ward 4	CLLR AF GANGAT	Deteriorating infrastructure (roads)	Intervention by the technical and infrastructure department is needed
Ward 5	CLLR NS MNCUBE	Shortage of land for residential use	Township establishments need to be fast tracked
Ward 6	CLLR NW MSIBI	Allocation of sites	Human settlement to attend to this matter
Ward 7	CLLR TH THWALA	Allocation of sites	Human settlement to attend to this matter
Ward 8	CLLR H MASEKO	Drainage system to be fixed	Intervention by the technical and infrastructure department is needed
Ward 9	CLLR CS DLAMINI	Gravelling of roads	Intervention by the technical and infrastructure department is needed
Ward 10	CLLR ZG MBETHE	Gangsters and crime	Strengthening of community safety forum
Ward 11	CLLR MZ SANGWENI	Suction of toilets and the removal of electricity meter boxes from old houses to new houses	Intervention by the technical and infrastructure department is needed

2021-2026 LIST OF WARD COMMITTEE MEMBERS (DR. PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY)

Full name & Surname	Identity number	Contact details
WARD 1		
1. Siphamandla Nhlapho	901024 6243 083	072 258 1414/ 084 496 8336
2. Daniel Badae Sibiloane	560701 5560 086	072 440 1608 (SECRETARY)
3. Xolani Makhubu	871109 5384 081	083 476 3456
4. Nokuzola Malinga	641116 0407 089	064 887 4869
5. Nonhlanhla Sibeko	870404 1808 089	060 759 3039
6. Bongani David Zwane	911119 5335 084	076 872 8500/073 501 4724
7. Thandaza Nkosi	850512 1395 081	078 207 8773
8. Mshiyeni Johannes Kubheka	620930 5526 080	079 568 3741
9. Ncamile Kula	601102 5581 084	084 346 6964
WARD 02		
1. Sipho Lawrence Mthunzi	781203 5907 089	072 787 2557
2. Thabo Aubrey Khumalo	890819 5963083	
3. Lebohang Mokgane	800113 0438 088	071 016 1108
4. Mfanukhona Majoji	860616 7161 088	079 773 5088
5. Khonzephi Mbatha	871031 0802 083	078 583 6921
6. Zinhle Nzukula	890827 0301 084	073 746 0155 (SECRETARY)
7. Nosipho Charlotte Mdluli	890215 0299 088	078 315 4791
8. Mbali Shabangu	800124 0629 089	083 420 7781
9. Nkosingiphile Khumalo	710508 0415 086	071 150 0846
10. Nomfundo Ngwenya	990809 0676 086	076 328 3423
WARD 03		
1. Pretty Siphesihle Hlatshwayo	930312 0610 083	063 082 8464 (SECRETARY)
2. Thembisile Hellie Vilakazi	740331 0436 083	072 458 9583
3. .Shonaphi Ntuli	74122 0600 081	061 202 9925
4. Mduduzi Hopewell Mazibuko	850514 6196 084	081 883 7432
5. Skhumbuzo Lawrence Ngwenya	911226 5297 089	082 477 4851
6. Siyabonga Vincent Phungwayo	880108 5339 086	071 863 9229
7. Zanele Nompumelelo Thwala	881122 0481 081	072 481 2132
8. Sithembile Precious Vilakazi	830725 0946 085	079 250 7826

WARD 04		
1. Mlungisi Ndlovu	790610 5363 080	079 848 7900 (SECRETARY)
2. Khethiwe Madonsela	890207 1279 086	072 443 1871
3. Mkhuliseni Ndlimande	880306 6049 080	082 417 7131/ 079 789 4104
4. Nomusa Grace Simelane	940506 6140 083	081 822 4213 / 082 813 2701
5. Rajendra Maharaj	640625 5105 085	061 482 4750
6. Ntombikayise C Mbonane	720101 0795 083	078 988 6415
7. Sibusiso David Ngobese	610309 5488 086	082 544 7750
8. Phumelele Mgaga	920814 0978 081	060 306 6485
9. Nomakhosi Perseviarance Lunga	981604 1086 086	060 943 6062
10. Anna Catherina Elizabeth Botha	760513 0008 088	084 577 7715
WARD 05		
1. Jabulane Mkhwanazi	800705 6013 086	
2. Khethiwe Zulu	850708 1166 080	060 6214693 (SECRETARY)
3. Fanisile Vundla	670925 0529 088	071 633 1265
4. Ronald Khumalo	910405 6198 089	079 093 2327
5. Sandile Emmanuel Dlodlu	971213 5702 083	079 444 7802
6. Nkosinathi Enock Makhubu	890820 5552 082	071 176 5734
7. Siyabonga Samuel Ntshalintshali	901006 6114 089	079 239 3913
8. Mboneni Michael Zwane	810626 5957 081	072 652 9366
9. Fikile Monica Ndaba	671111 0531 080	073 980 4439
10. Patience Nkosi	950716 0468 083	079 637 3046
WARD 06		
1. Sizakele Nsutshwa	701125 0439 080	079 237 9349
2. Zizwe Dumisani Nhlapho	750801 5556 082	078 287 3417
3. Duduzile Noluthando Ngcobo	950820 1291 088	079 849 9199 (SECRETARY)
4. Nonhlanhla Masuku	820418 0233 082	078 961 3416
5. Lindiwe Nkosi	730922 0822 082	082 646 5473
6. Khabonina Ndlovu	860630 0957 087	072 385 2718
7. Mbudi Daniel Dube	860814 5360 089	074 288 0642
8. Sibongile Sarah Beste	840508 0352 084	072 078 8281

WARD 07		
1. Ntombifuthi Mhlanga	8208170456082	
2. Thully Kholina Sibiya	900826 0342 088	078 332 7476 (SECRETARY)
3. Mndeni Hlatshwayo	810501 5280 083	078 219 6166
4. Duduzile Gladys Madonsela	861010 0404 084	082 515 1758
5. Sihle Kubheka	980302 0971 089	076 307 6156
6. Melusi Mabizela	861004 6012 082	076 088 9021
7. Lithabo Phiwe Sibeko	980927 5049 083	081 587 1962
8. Lungile Flora Zondo		071 550 7890
9. Thandeka Nkomo	020514 1407 085	064 836 9095
10. Chippa Ndlela		071 550 7890
WARD 08		
1. Benjamin Sandile Mthembu	920318 5401 081	078 221 2891
2. Tsepiso Motsamai	990130 0727 088	063 929 6839
3. Busisiswe Ndaba	740331 0329 080	073 520 5549
4. Nomadlozi Magagula	831121 0895 085	073 127 0002 (SECRETARY)
5. Joseph Kubheka	740105 6414 087	082 403 1670
6. Hambaphi Albetina Nkosi	530522 0354 086	082 284 2870
7. Keke Mainah Masuku	490928 0669 084	072 882 0577
8. Thokozani Mkhonza	930112 6232 084	071 599 9718
9. Ntombikhona Harriet Kubheka	990612 0946 081	072 855 9667
10. Thabi Gcibelo Sithole	8810 080 304 086	
WARD 09		
1. Nombuso Aarieneth Thango	900223 0472 083	082 866 0692
2. Mbongiseni A Manana	870717 6453 084	082 056 7083/ 065 375 5850
3. Phindile Gladys Zondo	880624 0415 085	079 394 6444
4. Wondaboy Mfanizonke Dhlamini	880217 5865 089	076 066 7196
5. Jimmy Sibusiso Mbonane	821022 5753 083	079 787 4097
6. Thokozani Existence Maisela	810328 5799 080	082 219 2813
7. Zephinia Mavie Makhubu	651018 5245 083	079 715 0023
8. Jabulile Nhlekeko	880120 0388 083	082 219 9942
9. Mbali Nomusa Nxumalo	980415 0915 086	076 297 1847
10. Gasa Josias Mhlanga	920928 6484 082	082 843 4524 (SECRETARY)

WARD 10			
1. Nkululeko Dubazane	960215 5355 088		072 348 0939 (SECRETARY)
2. Mfanukhona Msibi	951017 6015 088		076 797 8671
3. Edna Mtshali	7311070328087		
4. Xolani Israel Simelane	7312115644082		
5. Thembinkosi Alfred Mkholo	790224 4577 086		072 446 4999
6. Bhelikizwe Solomon Habile	780206 5787 089		072 111 8459
7. Nhlanhla Motha	610920 5553 087		076 660 2389
8. Mfanukhona Robert Hlatshwayo	830924 5242 083		079 853 7921/072 572 6663
WARD 11			
1. Sifiso Peyi	870113 5374 085		071 161 6822
2. Ntombifuthi Eunice Dladla	831215 1262 087		071 278 2675
3. Ntombifuthi Ngwenya	830328 0315 086		079 190 9084
4. Xolani Mnelisi Shabalala	940903 6248 080		081 847 7436
5. Koss Dladla	850323 6297 086		064 671 2685
6. Mbali Kunene	870221 0950 088		082 230 7634
7. Bongani Petros Mbatha	850407 6296 089		076 215 3099
8. Mashikizela Solomon Maseko	751110 5603 087		082 745 2840
9. Fannie Collen Ngozo	971213 5738 087		064 789 2334(Secretary)
10. Sbusiso Mbatha	830725 5278 088		072 258 1414

Capital Projects: 2024/ 2025 (Full List at Appendix N)				
No.	Project Name and detail	Start Date	End Date	Total Value
1	Construction of the paved roads in Vukuzakhe Ward 1	1-Jul-24	30-Jun-2025	R6 000 000,00
2	Construction of the paved roads in Vukuzakhe Ward 2	1-Jul-24	30-Jun-2025	R2 084 600,00
3	Construction of the paved roads in Vukuzakhe Ward 3	1-Jul-24	30-Jun-2025	R2 658 984,00
4	Construction of the paved roads in Vukuzakhe Wards 9 & 11	1-Jul-24	30-Jun-2025	R4 000 000,00
5	Construction of top structures toilet in Wards 1, 9, 10 and 11	1-Jul-24	30-Jun-2025	R3 000 000,00
6	Construction of Combo Courts in Daggakraal	1-Jul-24	30-Jun-2025	R4 000 000,00
7	Procurement of a compactor truck	1-Jul-24	30-Jun-2025	R2 200 000,00
8	Construction of water reticulations network complete with house connection in Daggakraal Ward 10	1-Jul-24	30-Jun-2025	R1 944 650,30
9	Refurbishment of Volksrust Water Treatment Works	1-Jul-24	30-Jun-2025	R3 114 115,70
				T F:1

Basic Service Provision 2024/ 2025				
Detail	Water	Sanitation	Electricity	Refuse
Households with minimum service delivery	31319	32064	32247	23914
Households without minimum service delivery	1653	908	725	9058
Total Households*	32972	32972	32972	32972
T.F.2				

** Source: StatsSA- Census 2022

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

A number of 5 Audit Committee meeting were held during the 2024/2025 Financial year

No.	Date of the meeting	Item discussed	Resolutions	Responsible Official	Action Taken	Status	Budget analysis/ budget needed for implementation of the resolution	Implementation date
1	15 August 2024	Risk management reports	The Audit Committee requested management to include the risk ratings on the Risk management progress report in order to monitor if management is assisting in lowering the risk.	Mr. T. Maseko- Chief Risk Officer	The progress report will be submitted in the next AC meeting in May 2025	In progress	None	30 September 2024

2	15 August 2024	Section 52d 2023/2024 Quarter 4 report	The Audit Committee raised a concern on government departments that owe the Municipality and further requested management to implement the credit control policy.	Ms. Khuzwayo – Chief Financial Officer & Ms. Magubane – Manager Revenue	Debt Collection company was appointed to assist with the debt collection from government departments	In-progress	None	30 November 2024
3	14 November 2024	Risk Management Reports	Management should develop the strategy to reduce the significant contingent liability through application for relief or recusal.	Mr. Mofokeng – Director: Corporate Services & Mr. M. Maroun – Manager Legal Services	The strategy will be tabled to the portfolio committee in May 2025	In-progress	None	31 March 2025

4	21 February 2025	Risk management reports	The Audit Committee requested management to develop the cash management strategy, cash flow plan and further establish the cash flow management committee	Ms. N. Khuzwayo-CFO	The cash management strategy and cash flow plan will be developed and submitted to A.C. The cash flow management committee is already established and reports are submitted to the Finance portfolio committee on a monthly basis	In progress	None	1 July 2025
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5	21 February 2025	Revenue related report	The Audit Committee requested the CAE to facilitate an in committee meeting with the CFO,MM, CAE, and the MMC finance in order to deal with Financial matters in the Municipality, the meeting need to take place by 31 March 2025.	Ms. Zwane-Internal audit Manager Mr. T. Maseko-Chief Risk Officer	Still waiting for the confirmation/availability of the Executive Mayor/MMC Finance	In progress	None	31 March 2025
6	21 February 2025	I.C.T. report Q2	The Audit Committee requested the ICT report to include a progress report on the implementation of the BCP, and the progress on the BCP risk, indicated on risk report.	Mr. Mofokeng Director: Corporate Services & Mr. M. Maroun – Manager Legal Services Mr. T. Maseko – CRO	Risk register will be included as an Annexure in the next meeting June 2025	In progress	None	30 April 2025

7	21 February 2025	HR report Q2	Audit Committee requested that the HR report include the timelines for each vacancy, especially the critical vacant positions.	Mr. Mofokeng – Director: Corporate Services & Mr. Shabangu – Manager Human resource	Timelines for each vacant position will be included in the report that will be submitted in next meeting.	In progress	None	31 July 2025
8	21 February 2025	CLOSURE	Audit Committee requested management to prepare the clean audit strategy and circulate to Audit Committee, and the due date for developing the document should be 31 March 2026	Mr. A Ngcobo – Municipal Manager	The Municipality still need to benchmark with other municipalities	In progress	None	31 March 2026
9	23 May 2025	Audit Committee resolution register	The Audit Committee requested each director to submit an assessment report that will detail on why is it difficult to implement the A.C. resolutions	All Directors		In progress	None	31 August 2025

10	23 May 2025	UIFW report and Deviation report Q3	The Audit Committee requested that the UIF/W report should show the new UIF/W amount or movement per quarter and separate the new UIF/W amount and the historic UIF/W amounts.	Ms. Khuzwayo Chief Financial Officer	N –	It will be implemented	In Progress	None	31 July 2025
11	23 May 2025	UIFW report and Deviation report Q3	The Audit Committee requested the UIF/W report to include the reasons that caused the UIFW	Ms. Khuzwayo Chief Financial Officer	N –	The report will be improved going forward	In Progress	None	31 July 2025
12	23 May 2025	Report on Supply chain activities Q3	The Audit Committee requested the procurement plan to include a progress report in order to monitor the progress on a quarterly basis	Ms. Khuzwayo Chief Financial Officer	N –	It has been attended too	In Progress	None	31 July 2025

13	27 June 2025	Q3 Risk Management report	Audit Committee requested the Risk management report to include the risk management plan that will detail on how are they going to implement the risk management activities	MR. T. Maseko- CRO	The risk management plan was approved by the RMC on the meeting held on 10 September 2025	In Progress	None	31 SEPTEMBER 2025
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A number of 4 Performance Audit Committee meetings were held during the 2024 20/25 Financial Year.

PERFORMANCE AUDIT COMMITTEE RESOLUTIONS FOR 2024/2025

PROGRESS ON OUTSTANDING P.A.C.RESOLUTIONS as on 30 JUNE 2025						
NO.	DATE OF MEETING	ITEM	RESOLUTION TAKEN	PERSON/S RESPONSIBLE	PROGRESS MADE as on 31 JANUARY 2025	DUE DATE
	06/06/2024		The following plans must be added on the Resolution Register in order to emphasize the urgency as the Municipality must improve and implement these issues: a) Water Services Development Plan b) Waste Management Plan c) Electricity Master plan d) Integrated Transport Plan COGTA already developed an Improvement Plan with the Municipality which will be monitored with DPME. Regular feedback will be provided.	a) DIS b) DCOMS c) DIS d) DCOMS	a) In process. (WSDP to be updated by December 2024) b) Addressed (Integrated Waste Management Plan was adopted by council and will be valid for the next five years.) c) In process. (Assistance for funding requested from Provincial COGTA and GSDM) d) In process (The Integrated Transport Plan is not within our mandate thus its development should be explored with relevant government sector.)	a) b) Addressed c) d)
1		FEEDBACK FROM THE LGM IM ASSESSMENT				
2	07/11/2024	Performance of External Service Providers for the Quarter ending 30 September 2024	a) That the ACTUAL PROGRESS be indicated in future. b) That a column be added to indicate the ACTUAL BUDGET SPENT.	CFO	a) b)	31/12/2024
3	07/11/2024	Cascading of Performance Management	a) The Committee took note that further consultation will take place with regard to the letter from COGTA.	MM / DCS / MAN/FMS		31/01/2025
4	07/11/2024	SIGNING OF PERFORMANCE AGREEMENTS BY MIDDLE MANAGERS	That the outstanding performance agreements be concluded by 15 November 2024.	DCS	Achieved all Managers signed their performance management (Done)	15/11/2024
5	07/11/2024	OUTCOME OF FORMAL PERFORMANCE EVALUATION FOR Q2 AND Q4 OF THE 2023/24 FOR THE MUNICIPAL MANAGER	a) The Mid-year Performance Evaluations must be arranged as per the Performance Regulations. b) The formal Performance Evaluations for 2023/24 for the 5.56 Managers must be concluded in Quarter 3, after the finalization of the Audit process.	a) MAN/FMS b) MAN/FMS	a) Done b) Planned for 06 March 2025	31/03/2025
6	23/01/2025	MID-YEAR PERFORMANCE ASSESSMENT FOR 2024/25	Infrastructure Services: a) KPI no. 31 to be removed during the revision of the SDBP. b) KPI no. 18 and 30 to be aligned during the revision of the SDBP	a) Mem: PMU b) Mem: PMU	a) Achieved b) not achieved it will be corrected in the New SDBP	31/03/2025
		Revised SDBP 2024/2025	That the management correct and align the KPI and the target and submit to PACM members before it is submitted to council	a) All management	Not achieved as it was the challenge of time	28/03/2025
	7/18/03/2025					

APPENDIX H – LONG TERM CONTRACTS

Long Term Contracts (5 Largest Contracts Entered into 2024/ 25 Fy)						R 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value	
N/A - NO LONG TERM PROJECTS						
						TH1

Public Private Partnerships Entered into 2024/ 2025						R 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value	
	NOT APPLICABLE					
						TH2

APPENDIX J: DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests			
Period 1 November 2024 to 30 June 2025			
Position	Name	PR/WARD/FULL TIME COUNCILLOR	Description of Financial interests* (Nil / or Details)
(Executive) Mayor Member of MayCo / Exco	B J Mhlanga	PR	Nil
	T V Hlakutse	WARD	Nil
	T H Thwala	WARD	Nil
Councillors	N W Msibi	WARD	Nil
	L Hadebe	PR	Business Partner (MD Creations; Bold Triumphant Projects)
	L De Jager	PR	Nil
	C S Dlamini	WARD	Owner: Prosperity Casper Holdings LTD (Pty)
	C Du Toit	PR	Nil
	GL Khumalo	PR	Nil
	Gangat Ayub Farouk	WARD	AF Gangat Trading CC Downtown Car Sales
	E N Lepphoto	PR	Nil
	B G Mavuso	PR	Nil
	FE Mahlaba	PR	Nil
	ZG Mbethe	WARD	Nil
	N S Mncube	WARD	Nil
	M S Motha	PR	Nil
	X B Ngema	WARD	Nil
	S C Ntuli	WARD	Nil
	MZ Sangweni	WARD	Nil
	OT Shabangu	PR	Nil
	BTA Zulu	WARD	Nil
	H Maseko	WARD	Nil
	*Financial Interest to be disclosed even if they incurred for only part of the year. See MBRR		
	SA34A	TJ	

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source				
Description	2023/2024		2024/2025	
	Original Budget	Adjustments Budget	Original Budget	Adjustments Budget
Property rates	65 496 000	65 496 000	68 967 000	68 967 000
Property rates - penalties & collection charges				
Service Charges - electricity revenue	76 283 000	70 685 000	84 817 000	84 817 000
Service Charges - water revenue	26 344 000	59 688 000	79 406 000	79 406 000
Service Charges - sanitation revenue	14 707 000	18 349 000	19 321 000	19 321 000
Service Charges - refuse revenue	7 755 000	10 765 000	11 336 000	11 336 000
Service Charges - other				
Rentals of facilities and equipment	1 006 000	1 836 000	3 433 000	3 433 000
Interest earned - external investments	4 979 000	4 979 000	5 243 000	5 243 000
Interest earned - outstanding debtors	30 075 000	62 075 000	65 365 000	65 365 000
Dividends received				
Fines	62 000	468 000	493 000	493 000
Licences and permits	1 099 000	1 099 000	7 110 000	7 110 000
Agency services	16 955 000	16 955 000	23 125 000	23 125 000
Transfers recognised - operational	153 100 000	156 000 000	168 850 000	168 850 000
Other revenue	7 943 000	10 893 000	12 308 000	12 308 000
Gains on disposal of PPE			1 500 000	1 500 000
Environmental Protection				
Total Revenue (excluding capital transfers and contributions)	392 586 000	479 288 000	551 274 000	551 274 000
T K2				

APPENDIX L: CONDITIONAL GRANTS: EXCLUDING MIG

Conditional Grants: excluding MIG 2024/ 2025					
Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
EPWP Finance	R3 209 000,00	-	R3 209 000,00	100%	-
Management Grant	R2 450 000,00	-	R2 450 000,00	100%	-
MSG	-	-	-		
Equitable Share	168 850 000,00		168 850 000,00	100%	-
INEP	R17 832 000,00	R2 396 021,97	R15 435 978,03	-0,16	-
		2 396 021,97			
Total	192 341 000,00	4 792 043,94	189 944 978,03	100%	-
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T5.8.3. Variances are calculated by dividing the difference between actual and original/ adjustments budget by the actual. T.L					

APPENDIX M (I): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Capital Programme by Project 2024/ 2025					
Capital Project	Actual Budget 2024/ 2025	Adjustment Budget	Variance (Act - Adj)	ACTUAL SPENT	
P20251.1339.1.1601000012 Sewer Reticalation in Amersfoort Town	6 500 000,00			R6 550 472,75	
P202200012 Water Connections in Amersfoort	-			R	-
P202500015 Construction of paved roads in Vukuzakhe Ward 1	5 308 224,00			R	4 615 846,90
Refurbishment of sewer pump & WWTW ward 6	-			R	-
P202500013 Rehabilitation of 10m road and Culvert	700 000,00			R	700 000,00
Assets acquisition 2	-			R	-
Transport Assets Procurement of a TLB	1 092 075,00			R	-
Acquisitions Outsourced	-			R0,00	-
Acquisitions Outsourced	-			R0,00	-
P2025000011 UPGRAIDING OF AMERSFOORT WASTE WATER TREATMENT PL	47 106 000,00			R36 111 114,81	
P202500003 REFURBISHMENT OF BORE-HOLES	3 209 870,00			R2 674 990,56	
P202500014 Refurbishment of Volksrust WTW	890 675,00			R774 500,00	
P202500008 CONSTRUCTION OF ROADS IN WARD 3	2 562 497,00			R2 229 789,34	
P202500007 Construction of roads Wards 2	2 024 677,00			R1 879 988,74	
P202500005 Construction of Roads in ward 9 & 11	4 000 000,00			R3 478 160,97	
P202500004 Construction of Toilets in Ward 9 10 & 11	3 393 828,00			R2 924 302,43	
P202500002 Water reticalation in Ward 10	1 944 115			R1 571 137,96	
P202500009 Electrification of 414 households in Vukuzakhe A	5 686 000			R4 665 179,07	
P202500006 Construction of combo court in Daggakraai	4 000 000			R3 478 260,83	
P2025000010 Electrification of 500 households in Vukuzakhe B	9 750 000			R3 481 250,19	
Supply and delivery of road construction material for ward 4	-			R0,00	
P202500016 Rehabilitation of roads in ward 4	3 500 000			R3 594 282,78	
Construction of water & sewer reticu with houses conn 0271810056	-			R0,00	
Construction of paved roads in Wakkerstroom ward 5	-			R0,00	
Cost: Acquisitions	-			-	-
Cost: Acquisitions	-			-	-
Cost: Acquisitions	-			-	-
Acquisitions	-			-	-
Procurement of service delivery vehicles Energy	450 000,00				336 980,25
Procurement of speaker's vehicle	620 000,00				616 907,74
Procurement of the audio system for the council chamber	350 000,00				297 179,43
Procurement of office chairs	150 000,00				-
P202500001 Procurement of a Compactor Truck	4 503 389,00				4 831 011,97
Total	107 741 350,00				R63 811 336,62
					TM

APPENDIX N: CAPITAL PROGRAMME BY PROJECT

Capital Programme by Project 2024/ 2025						
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
Refurbishment of Volksrust Water Treatment Plant	R3 214 115,70	R890 675,00	R890 675,00	0,00%	28%	
Refurbishment of Boreholes in private farms	R3 500 000,00	R3 209 888,00	R3 209 888,00	0,00%	92%	
Construction of Toilets in Wards 9, 10 & 11	R3 000 000,00	R3 393 847,79	R3 393 847,79	0,00%	113%	
Procurement of a Compactor Truck	R2 200 000,00	R2 197 985,01	R2 197 985,01	0,00%	100%	
Procurement of a Compactor Truck	R2 285 173,76	R2 265 173,76	R2 265 173,76	0,00%	100%	
Procurement of a TLB	R1 092 075,00	R1 092 075,00	R1 092 075,00	0,00%	100%	
Construction of Water reticulation network complete with house connection in Daggakraal Ward 10	R1 944 650,00	R1 944 110,58	R1 944 110,58	0,00%	100%	
Construction of paved roads in Daggakraal Wards 9 & 11	R4 000 000,00	R3 999 885,01	R3 999 885,01	0,00%	100%	
Construction of combo courts in Daggakraal Ward 9,10 & 11	R4 000 000,00	R3 999 999,96	R3 999 999,96	0,00%	100%	
Construction of paved roads in MkuzaKhe Ward 1	R6 000 000,00	R5 308 223,59	R5 308 223,59	0,00%	88%	
Construction of paved roads in MkuzaKhe Ward 2	R2 084 600,00	R2 024 676,94	R2 024 676,94	0,00%	97%	
Construction of paved roads in MkuzaKhe Ward 3	R2 658 884,00	R2 564 234,78	R2 564 234,78	0,00%	96%	
Electrification of MkuzaKhe A and B 731HH	R17 832 000,00	R15 435 978,03	R9 335 978,00	-61000000000,00%	-3368%	
Construction of outfall sewer reticulation in Amersfoort	R4 000 000,00	R2 536 367,41	R6 536 367,41	400000000000,00%	10163%	
Refurbishment & Upgrading of the Amersfoort WWTW	R47 106 000,00	R0,00	R41 527 783,05	41527783050,00%	8904%	
TN						

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD 2024/2025

Capital Programme by Project 2024/ 25

Capital Project	Original Budget	WARD	Actual as on 30 June 2025	Works completed Yes/No
Refurbishment of Volksrust Water Treatment Plant	R3 214 115,70	Ward 4	R890 675,00	No
Refurbishment of Boreholes in private farms	R3 500 000,00	Ward 4, 5, 7, 8, 10	R3 209 868,00	Yes
Construction of Toilets in Wards 9, 10 & 11	R3 000 000,00	Ward 9, 10 & 11	R3 393 847,79	Yes
Procurement of a Compactor Truck	R2 200 000,00	Ward 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11	R2 197 965,01	Yes
Procurement of a Compactor Truck	R2 265 173,76	Ward 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11	R2 265 173,76	Yes
Procurement of a TLB	R1 092 075,00	Ward 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11	R1 092 075,00	Yes
Construction of Water reticulation network complete with house connection in Daggakraal Ward 10	R1 944 650,00	Ward 10	R1 944 110,58	Yes
Construction of paved roads in Daggakraal Wards 9 & 11	R4 000 000,00	Ward 9 & 11	R3 999 885,01	Yes
Construction of combo courts in Daggakraal Ward 9, 10 & 11	R4 000 000,00	Ward 9, 10 & 11	R3 999 999,96	Yes
Construction of paved roads in Vukuzakhe Ward 1	R6 000 000,00	Ward 1	R5 308 223,59	Yes
Construction of paved roads in Vukuzakhe Ward 2	R2 084 600,00	Ward 2	R2 024 676,94	Yes
Construction of paved roads in Vukuzakhe Ward 3	R2 658 984,00	Ward 3	R2 564 234,78	Yes
Electrification of Vukuzakhe A and B 731HH	R17 832 000,00	Ward 1 & 2	R9 335 978,00	No
Construction of outfall sewer reticulation in Amersfoort	R4 000 000,00	Ward 7 & 8	R6 536 367,41	No
Refurbishment & Upgrading of the Amersfoort WWTW	R47 106 000,00	Ward 7 & 8	R41 527 783,05	No
TO				

APPENDIX P – SERVICE BACKLOGS: SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics					
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection	
Schools (NAMES, LOCATIONS)					
N/A					
Clinics (NAMES, LOCATIONS)					
N/A					
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.					TP

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

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics		
	N/A - COMPETENCY OF THE DEPARTMENT OF HEALTH	
Housing:		
	N/A - COMPETENCY OF THE DEPARTMENT OF HUMAN SETTLEMENTS	
Licensing and Testing Centre:		
	A huge backlog of ±90% in terms of licensing documents sent to Helpdesk in Nelspruit for authorisation. Backlog of more than 30 months.	Serious interruption of Service Delivery, Citizens especially Pensioners, needs to renew temporary licences every 6 months due to none-authorisation of documents sent to Helpdesk in Nelspruit.
Reservoirs		
	N/A - COMPETENCY OF THE GERT SIBANDE DISTRICT MUNICIPALITY	
Schools (Primary and High):		
	N/A - COMPETENCY OF THE DEPARTMENT OF PUBLIC WORKS	
Sports Fields		
	N/A - COMPETENCY OF THE DEPARTMENT OF SPORTS, ART & CULTURE	
		TQ

APPENDIX T – MINIMUM COMPETENCY LEVELS

JULY 2024 - STATUS OF THE MINIMUM COMPETENCY LEVELS FOR PIXLEY KA SEME (MP)

Name	Surname	Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (reference required)	Completed Required Unit Standards	Requirements	Compliance (consider budget)
Mandibindo Abelom	Ngobo	Accounting Officer	✓	✓	✓	Outstanding with 05 Unit Standards	4	✓
Fallo Isaac	Motokeng	Senior Manager (MSA S56)	✓	✓	✓	In-progress	4	✓
Muswenkosi Godbleasing	Nyembe	Senior Manager (MSA S56)	✓	✓	✓	Outstanding with 06 Unit Standards	4	✓
Spho Thomas	Phakathi	Senior Manager (MSA S56)	✓	✓	✓	In-progress	4	✓
Murenderi	Mulaudzi	Middle Manager: Finance	✓	✓	✓	Outstanding with 08 Unit Standards	4	✓
Nompumelelo	Mkuzwayo	Chief Financial Officer	✓	✓	✓	Outstanding with 08 Unit Standards	4	✓
Northardzozo methesizile	Ngwenya	Middle Manager: Finance	✓	✓	✓	Outstanding with 05 Unit Standards	4	✓
Melody Shembile Priscilla	Reinotsi	Supply Chain Manager	✓	✓	✓	Outstanding with 04 Unit Standards	4	✓
Tanja	Van Der Linde	Middle Manager: Finance	✓	✓	✓	Outstanding with 06 Unit Standards	4	✓

SUMMARY REPORT

Accounting Officer

- 1(100%) compliant as per regulation (consider budget)
- 1 (100%) meet the minimum 4 criteria for position (budget not considered)
- 0 (0%) don't have the required minimum higher education qualification
- 0 (0%) don't have the required minimum work experience
- 0 (0%) have not signed the required performance agreement
- 0 (0%) have not completed all the required unit standards.

Chief Financial Officer – Municipality

- 1(100%) compliant as per regulation (consider budget)
- 1 (100%) meet the minimum 4 criteria for position (budget not considered)
- 0 (0%) don't have the required minimum higher education qualification
- 0 (0%) don't have the required minimum work experience
- 0 (0%) have not signed the required performance agreement
- 0 (0%) have not completed all the required unit standards.

Senior Manager (MSA S56)

- 3 (100%) compliant as per regulation (consider budget)
- 3 (100%) meet the minimum 4 criteria for position (budget not considered)
- 0 (0%) don't have the required minimum higher education qualification
- 0 (0%) don't have the required minimum work experience
- 0 (0%) have not signed the required performance agreement
- 0 (0%) have not completed all the required unit standards.

Supply Chain Manager

- 1(100%) compliant as per regulation (consider budget)
- 1 (100%) meet the minimum 4 criteria for position (budget not considered)
- 0 (0%) don't have the required minimum higher education qualification
- 0 (0%) don't have the required minimum work experience
- 0 (0%) have not signed the required performance agreement
- 0 (0%) have not completed all the required unit standards.

Middle Manager: Finance

- 3(100%) compliant as per regulation (consider budget)
- 3 (100%) meet the minimum 4 criteria for position (budget not considered)
- 0 (0%) don't have the required minimum higher education qualification
- 0 (0%) don't have the required minimum work experience
- 0 (0%) have not signed the required performance agreement
- 0 (0%) have not completed all the required unit standards.

Notes:

** The above is the Status of Minimum Competency Levels in your municipality based on Gazette 29987 and 41996.

APPENDIX U – BBEE COMPLIANCE

Disclosing information relating to the following elements:

- Management Control
- Skills Development
- Enterprise and Supplier Development
- Socio Economic Development.

Section 121(3)(k) of the MFMA indicates that the annual report of a municipality should include any other information as may be prescribed. Within this context, attention is drawn to the Broad Based Black Economic Empowerment (B-BBEE) Act (Act 53 of 2003; as amended by Act 46 of 2013) read in conjunction with the B-BEE Regulations (2016).

Section 13G(1) of the B-BBEE Act states that all spheres of government, public entities and organs of state must report on their compliance with broad-based black economic empowerment in their AFS and annual reports.

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the audited Annual Financial Statements to the Annual report for 2024/2025 – This to be developed as a separate volume. Refer to MFMA Circular 36 for further guidance.

T V2



2024/2025

**FINAL
ANNUAL
REPORT**

Volume II

**DR PIXLEY KA
ISAKA SEME
LOCAL
MUNICIPALITY**

ANNEXURE "A" - ANNUAL FINANCIAL STATEMENTS
ANNEXURE "B" - AUDITOR-GENERAL AUDIT OUTCOME
ANNEXURE "C" - AUDIT ACTION PLAN
ANNEXURE "D" - ANNUAL PERFORMANCE REPORT
ANNEXURE "E" - OVERSIGHT REPORT



2024/2025



**ANNUAL
FINANCIAL
STATEMENTS**

Dr Pixley ka Isaka Seme Local Municipality



Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements
for the year ended 30 June 2025

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

General Information

Nature of business and principal activities

The main business operations of the municipality is to engage in local government activities, which includes planning and promotion of integrated development planning, land, economic and environmental development and supplying services to the community.

Executive Mayor

Speaker

Chief Whip

Mayoral committee: Corporate and Community Services

Mayoral committee: Infrastructure Services

Mayoral committee: Planning Services

Councillors

BJ Mhlanga

BG Mavuso

BTA Zulu

NW Msibi

TV Hlakutse

TH Thwala

AF Gangat

CS Dlamini

EN Lephoto

FE Mahlaba

H Maseko

L de Jager

L Hadebe

MS Motha

MZ Sangweni

NS Mncube

OT Shabangu

XB Ngema

ZG Mbethe

CJ du Toit

GL Khumalo

Grading of local authority (Remuneration of Public Office Bearers Act (20 of 1997))

South African Municipalities are grade from Grade 1 to Grade 6, with Grade 1 being the smallest
This municipality is a Grade 3.

Accounting Officer

MA Ngcobo (Municipal Manager)

Chief Financial Officer

NL Khuzwayo

Business address

Dr Nelson Mandela and Adelaide Tambo Street
Volksrust
2470

Postal address

Private bag X 9011
Volksrust
2470

Bankers

First National Bank

Auditors

Auditor General of South Africa

Telephone and email

(017) 734 - 6100
records@pixleykaseme.gov.za

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Index

	Page
Accounting Officer's Responsibilities and Approval Statement for the year ended 30 June 2025	3
Accounting Officer's Report for the year ended 30 June 2025	4
Statement of Financial position as at 30 June 2025	5
Statement of Financial Performance as at 30 June 2025	6
Statement of Changes in Net Assets for the year ended 30 June 2025	7
Cash Flow Statement	8
Statement of Comparison of Budget and Actual Amounts	9 - 12
Significant Accounting Policies	13 - 30
Notes to the Annual Financial Statements	31 - 85

Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Responsibilities and Approval Statement for the year ended 30 June 2025

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the year then ended. The Auditor-General is engaged to express an independent opinion on the annual financial statements and have unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2026 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

The auditors are responsible for independently reviewing and reporting on the municipality's annual financial statements. The annual financial statements will be examined by the Auditor-General.

The annual financial statements set out on page 4 - 83, were approved by the accounting officer on 30 June 2025 and were signed on its behalf by:



Accounting Officer
MA Ngcobo (Municipal Manager)

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Report for the year ended 30 June 2025

The accounting officer submits his report for the year ended 30 June 2025.

1. Review of activities

Main business and operations

The main business operations of the municipality is to engage in local government activities, which includes planning and promotion of integrated development planning, land, economic and environmental development and supplying services to the community.

2. Going concern

We draw attention to the fact that at Year ended 30 June 2025, the municipality had an surplus (deficit) of (R 15 836 343) and that the municipality's total assets exceed its liabilities by R 905 939 450.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Subsequent events

Subsequent to the financial year end, Council during its council meeting held on the 29th July 2025, concluded the investigations on the Irregular Expenditure and subsequently written off an amount of R9 610 730.15 for Irregular Expenditure.

4. Accounting policies

The annual financial statements prepared in accordance with Statements issued by the Accounting Practices Board, and in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury and the requirements of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA).

5. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report is as follows:

Name	Nationality
MA Ngcobo	South African

6. Corporate governance

General

The accounting officer is committed to business integrity, transparency and professionalism in all its municipality's activities. As part of this commitment, the accounting officer supports the highest standards of corporate governance and the ongoing development of best practice.

Audit and risk committee

The audit committee members were Ms. P Ntuli (Chairperson), Mr. MA Mapheto, Mr. S Maharaj and Mr. JM Ramphisa.

The Chairperson of the risk committee is Mr T Gafane.

7. Auditors

Auditor-General of South Africa will continue in office for the next financial period.



Accounting Officer
MA Ngcobo (Municipal Manager)

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Inventories	3	1 330 079	848 780
Receivables from exchange transactions	4	74 490 278	59 794 930
Other receivables from exchange transactions	5	1 757 113	2 018 431
Receivables from non-exchange transactions	6	37 608 720	35 324 383
Investments	7	1 162 379	974 629
VAT receivable-SARS	8	1 441 363	828 008
VAT receivable	53	103 983 435	99 025 203
Cash and cash equivalents	9	30 665 947	8 952 054
		252 439 314	207 766 418
Non-Current Assets			
Property, plant and equipment	10	1 073 152 048	1 071 813 599
Investment property	11	53 897 688	54 484 276
Heritage assets	12	3 696 999	3 696 999
		1 130 746 735	1 129 994 874
Total Assets		1 383 186 049	1 337 761 292
Liabilities			
Current Liabilities			
Payables from exchange transactions	13	135 847 403	106 332 215
VAT payable	14	131 408 797	119 636 755
Consumer deposits	15	1 721 028	1 701 123
Unspent conditional grants and receipts	16	11 284 668	3 253 743
Finance lease obligation	17	197 374	-
Employee benefit obligation	18	10 979 472	12 028 562
		291 438 742	242 952 398
Non-Current Liabilities			
Finance lease obligation	17	241 543	-
Employee benefit obligation	18	30 026 000	28 774 000
Provisions	19	92 795 697	72 737 480
Payables from exchange transactions	20	63 385 264	72 076 860
		186 448 504	173 588 340
Total Liabilities		477 887 246	416 540 738
Net Assets		905 298 803	921 220 554
Accumulated surplus		905 298 803	921 220 554
Total Net Assets		905 298 803	921 220 554

* See Note 47

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	21	173 673 004	136 387 661
Rental of facilities and equipment	22	1 672 309	1 906 312
Agency fees	23	5 074 123	6 639 265
Other income	24	1 123 230	480 690
Interest income	25	44 697 504	42 539 905
Total revenue from exchange transactions		226 240 170	187 953 833
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	26	53 346 270	38 889 255
Licences and Permits (Non-exchange)		5 198	-
Interest - Property rates		21 703 654	24 745 504
Transfer revenue			
Government grants & subsidies	27	267 267 174	207 827 871
Public contributions and donations		126 553	404 825
Fines, Penalties and Forfeits	28	690 320	943 318
Total revenue from non-exchange transactions		343 139 169	272 810 773
Total revenue		569 379 339	460 764 606
Expenditure			
Employee related costs	29	(104 212 955)	(102 827 135)
Employee costs - Remuneration of councillors	30	(10 795 841)	(10 482 411)
Inventory consumed	31	(24 579 147)	(24 492 339)
Depreciation and amortisation	32	(59 695 547)	(63 675 060)
Impairments loss	33	(15 886 730)	(13 262 964)
Finance costs	34	(11 878 264)	(11 441 378)
Debt Impairment	35	(126 052 166)	(35 959 399)
Bulk purchases	36	(98 888 006)	(87 156 277)
Contracted Services	37	(53 909 196)	(54 136 847)
Loss on disposal of assets and liabilities		(5 207 522)	(17 481 213)
General Expenses	38	(74 195 712)	(59 384 503)
Total expenditure		(585 301 086)	(480 299 526)
Deficit for the year		(15 921 747)	(19 534 920)

Refer to Note 47 for details of restatements.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets for the year ended 30 June 2025

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	990 580 715	990 580 715
Prior year adjustments Note 47	(49 825 241)	(49 825 241)
Balance at 01 July 2023 as restated*	940 755 474	940 755 474
Deficit for the year	(19 534 920)	(19 534 920)
Total changes	(19 534 920)	(19 534 920)
Opening balance as previously reported Adjustments	919 274 915	919 274 915
Prior year adjustments - Note 47	1 103 262	1 103 262
Restated* Balance at 01 July 2024 as restated*	921 220 550	921 220 550
Deficit for the year	(15 921 747)	(15 921 747)
Total changes	(15 921 747)	(15 921 747)
Balance at Year ended 30 June 2025	905 298 803	905 298 803
Note(s)		

* See Note 47

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		106 801 756	93 554 812
Grants		275 298 100	196 140 818
Interest		3 993 239	15 695 858
Taxation/Levies/Fines		45 852 783	28 693 322
Other		2 947 193	7 307 613
		<u>434 893 071</u>	<u>341 392 423</u>
Payments			
Employee costs		(118 385 886)	(120 039 548)
Suppliers		(213 032 929)	(209 731 417)
Finance costs		(657 618)	(102 051)
		<u>(332 076 433)</u>	<u>(329 873 016)</u>
Net cash flows from operating activities	39	102 816 638	11 519 407
Cash flows from investing activities			
Purchase of property, plant and equipment		(81 639 065)	(36 193 509)
(Loss)/Proceeds on disposal from sale of property, plant and equipment		697 402	1 716 779
Net cash flows from investing activities		(80 941 663)	(34 476 730)
Cash flows from financing activities			
Finance lease payments		(161 082)	(232 526)
Net increase/(decrease) in cash and cash equivalents		21 713 893	(23 189 849)
Cash and cash equivalents at the beginning of the year		8 952 054	32 141 903
Cash and cash equivalents at the end of the year	9	30 665 947	8 952 054

The accounting policies on pages 13 to 30 and the notes on pages 31 to 85 form an integral part of the annual financial statements.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	218 166 115	(22 590 735)	195 575 380	173 673 004	(21 902 376)	1
Sales of Goods and Rendering of Services	1 889 044	(1 210 615)	678 429	-	(678 429)	
Rental of facilities and equipment	3 601 119	(1 000 000)	2 601 119	1 672 309	(928 810)	
Agency fees	24 258 058	(17 058 058)	7 200 000	5 074 123	(2 125 877)	2
Other income	11 022 219	(7 367 567)	3 654 652	1 123 230	(2 531 422)	3
Interest received	74 067 414	(1 999 936)	72 067 478	44 697 504	(27 369 974)	4
Total revenue from exchange transactions	333 003 969	(51 226 911)	281 777 058	226 240 170	(55 536 888)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	72 346 368	(14 598 990)	57 747 378	53 346 270	(4 401 108)	5
Licences and Permits	7 458 239	(7 448 239)	10 000	5 198	(4 802)	7
Interest - Taxation revenue	-	-	-	21 703 654	21 703 654	4
Transfer revenue						
Government grants & subsidies	275 284 050	3 934 948	279 218 998	267 267 174	(11 951 824)	6
Public contributions and donations	-	-	-	126 553	126 553	9
Fines, Penalties and Forfeits	517 125	(66 460)	450 665	690 320	239 655	
Total revenue from non-exchange transactions	355 605 782	(18 178 741)	337 427 041	343 139 169	5 712 128	
Total revenue	688 609 751	(69 405 652)	619 204 099	569 379 339	(49 824 760)	
Expenditure						
Employee related cost	(106 493 788)	(2 297 049)	(108 790 837)	(104 212 955)	4 577 882	10
Remuneration of councillors	(10 464 162)	(422 082)	(10 886 244)	(10 795 841)	90 403	10
Inventory consumed	(22 320 622)	(18 576 398)	(40 897 020)	(24 579 147)	16 317 873	10
Depreciation and amortisation	(68 858 843)	3 300 000	(65 558 843)	(59 695 547)	5 863 296	14
Impairment loss/ Reversal of impairments	-	-	-	(15 886 730)	(15 886 730)	
Finance costs	(8 000 000)	(1 109 000)	(9 109 000)	(11 878 264)	(2 769 264)	
Debt Impairment	(104 042 990)	-	(104 042 990)	(126 052 166)	(22 009 176)	11
Bulk purchases	(104 845 007)	(30 000 000)	(134 845 007)	(98 888 006)	35 957 001	12
Contracted Services	(45 178 612)	(12 347 621)	(57 526 233)	(53 909 196)	3 617 037	10
General expenses	(37 022 778)	(4 514 368)	(41 537 146)	(74 195 712)	(32 658 566)	
Total expenditure	(507 226 802)	(65 966 518)	(573 193 320)	(580 093 564)	(6 900 244)	
Operating deficit	181 382 949	(135 372 170)	46 010 779	(10 714 225)	(56 725 004)	
Gain/ (Loss) on disposal of assets and liabilities	(1 573 500)	12 500 000	10 926 500	(5 207 522)	(16 134 022)	13
Surplus / (Deficit)	179 809 449	(122 872 170)	56 937 279	(15 921 747)	(72 859 026)	
	179 809 449	(122 872 170)	56 937 279	(15 921 747)	(72 859 026)	

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
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Figures in Rand

Statement of Financial Position

Assets

Current Assets						
Inventories	2 365 000	(1 365 000)	1 000 000	1 330 079	330 079	
Investments	-	-	-	1 162 379	1 162 379	
Other receivables from exchange transactions	-	-	-	1 757 113	1 757 113	
Receivables from non-exchange transactions	30 870 694	18 306 266	49 176 960	37 608 720	(11 568 240)	
VAT receivable	34 750 773	-	34 750 773	1 441 363	(33 309 410)	
Receivables from exchange transactions	68 428 145	83 649 971	152 078 116	74 490 278	(77 587 838)	
Cash and cash equivalents	236 855 815	(220 978 632)	15 877 183	30 665 947	14 788 764	
	373 270 427	(120 387 395)	252 883 032	148 455 879	(104 427 153)	

Non-Current Assets

Investment property	99 977 691	-	99 977 691	53 897 688	(46 080 003)	
Property, plant and equipment	1 351 332 602	(6 399 000)	1 344 933 602	1 073 152 048	(271 781 554)	
Heritage assets	3 696 000	-	3 696 000	3 696 999	999	
Other receivables from exchange transactions	9 349 955	-	9 349 955	-	(9 349 955)	

Total Assets

	1 464 356 248	(6 399 000)	1 457 957 248	1 130 746 735	(327 210 513)	
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Liabilities

Current Liabilities

Finance lease obligation	-	-	-	197 374	197 374	
Payables from exchange transactions	87 945 097	24 093 636	112 038 733	135 847 405	23 808 672	
VAT payable	8 954 840	-	8 954 840	35 273 378	26 318 538	
Consumer deposits	1 678 777	-	1 678 777	1 721 028	42 251	
Employee benefit obligation	1 965 000	-	1 965 000	10 979 473	9 014 473	
Unspent conditional grants and receipts	-	-	-	11 284 668	11 284 668	

	100 543 714	24 093 636	124 637 350	195 303 326	70 665 976	
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Non-Current Liabilities

Finance lease obligation	-	-	-	241 543	241 543	
Employee benefit obligation	-	-	-	30 026 000	30 026 000	
Provisions	178 243 929	-	178 243 929	92 795 697	(85 448 232)	
Payables from exchange transactions	80 607 151	(3 007 861)	77 599 290	63 385 264	(14 214 026)	

	258 851 080	(3 007 861)	255 843 219	186 448 504	(69 394 715)	
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Total Liabilities

	359 394 794	21 085 775	380 480 569	381 113 885	1 271 261	
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Net Assets

	1 478 231 881	(147 872 170)	1 330 359 711	898 088 729	(432 908 927)	
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Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	1 478 231 881	(147 872 170)	1 330 359 711	905 298 803	(425 060 908)	

Variances on the statement of comparison of budget and actual amounts:

1.Reasons for the underperforming service charges:

- Water: Faulty meters, meters in other settlements removed and underground water meters installed.
 - Electricity: delays in the installation of electricity in new settlement(Vukuzakhe B).
 - Sewerage: Due to faulty meters and underground water meters, the sewerage charge was reduced as sewer charge was not charged.
 - Refuse removal: delays in the allocation of sites in Vukuzakhe B, in order to start billing customer for services.
- 2..Agency fees: the budget was set based on the gross amount received for licensing fees.
- 3.Other operating revenue: the item was over budgeted for during the current financial year.
- 4.Interest income: the actual interest income received was split between revenue from exchange transactions and revenue from non-exchange transactions, but the budget was only allocated to revenue from exchange transactions.
- 5.Property rates: The municipality anticipated that formalisation of VukuZakhe township will be completed during the financial year.

6.Government grants and subsidies: The municipality underperformed on the WSIG and INEP conditional grants.

7.Licenses and permits: Licenses and permits – the actual amounts received during the financial year were allocated to agency fees.

8. Impairment loss: This line item was under budgeted for due to fundability issues that are faced by the municipality.

9. General expenses: is due to the reclassification from bulk purchases to the operational costs.

10.The under performance on the employee related costs, remuneration of councillors, inventory consumed, and contracted services is due to the financial challenges that are faced by the municipality.

11.Debt Impairment: The increased level of non-payment of debtors and the deterioration of economic conditions has resulted in the increase in the debt impairment.

12.Bulk purchases: The underperformance is due to the reclassification done of the Eskom small accounts to operational costs.

13.Gain/ (Loss) on disposal of assets and liabilities: the gain on assets was more than the amount anticipated.

14. Depreciation: The municipality over budgeted for thus line item.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						

Cash Flow Statement

Cash flows from operating activities

Receipts						
Taxation	72 346	(32 905)	39 441	45 853	6 412	
Sale of goods and services	218 166	(85 311)	132 855	106 802	(26 053)	
Grants	275 284	927	276 211	275 298	(913)	
Interest income	-	-	-	3 993	3 993	
Other receipts	62 252	(33 825)	28 427	2 947	(25 480)	
	628 048	(151 114)	476 934	434 893	(42 041)	

Payments

Employee costs	-	(222 327)	(222 327)	(118 386)	103 941	
Suppliers	-	(139 122)	(139 122)	(213 033)	(73 911)	
Finance costs	-	-	-	(657)	(657)	
Other payments	-	-	-	(161)	(161)	

Net cash flows from operating activities

	-	(361 449)	(361 449)	(332 237)	29 212	
	628 048	(512 563)	115 485	102 656	(12 829)	

Cash flows from investing activities

Purchase of property, plant and equipment	(104 940)	(2 270)	(107 210)	(81 639)	25 571	
Proceeds from sale of property, plant and equipment	-	-	-	697	697	

Net cash flows from investing activities

	(104 940)	(2 270)	(107 210)	(80 942)	26 268	
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Net increase/(decrease) in cash and cash equivalents

	523 108	(514 833)	8 275	21 714	13 439	
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Cash and cash equivalents at the beginning of the year

	32 142	-	32 142	8 952	(23 190)	
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Cash and cash equivalents at the end of the year

	555 250	(514 833)	40 417	30 666	(9 751)	
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Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024
1. Presentation of Annual Financial Statements			
The significant accounting policies applied in the preparation of these annual financial statements are set out below.			
1.1 Basis of preparation			
The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).			
These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.			
These accounting policies are consistent with the previous period.			
1.2 Presentation currency			
These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.			
1.3 Significant judgements and sources of estimation uncertainty			
In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.			
These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant judgements include:			
Allowance for slow moving, damaged and obsolete stock			
An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items.			
Provisions			
Provisions were raised and management determined an estimate based on the information available.			
Landfill Site rehabilitation and decommissioning and dismantling cost			
The municipality has an obligation to rehabilitate, dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'.			
Useful lives of Infrastructure asset			
The municipality's management determines the estimated useful lives and related depreciation charges for the infrastructure asset. This estimate is based on industry norm.			

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 18.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On trade receivables from exchange and non-exchange transactions, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. Consumer debtors are considered past due after 30 days. Consumer debtors which are less than 180 days but past due are not considered to be impaired.

The provision for doubtful debt is determined by taking into account the payment rate by exchange receivable (consumer debtor), indigent status, whether the consumer debtor has a credit balance at financial year end as well as whether the consumer debtor is government related or not.

Non-exchange receivables have been impaired taking into account historical payment rates by these non-exchange receivables.

Traffic fines

Non-exchange receivables arising from traffic fines are measured at the best estimate based on expected inflows of economic benefits to the municipality.

Budget information

A difference of 10% or more between budget and actual amounts is regarded as material. All material differences (between budget and actual amounts) are explained in the notes to the annual financial statements.

Impairment of Non-cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

1.4 Investment property

Investment property includes property (land or a building, or part of a building, or both land or buildings) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures Investment Property at cost. However, where an Investment Property was acquired through a non-exchange transaction (i.e. where it acquired the Investment Property for no or a nominal value), its cost is its fair value as at the date of acquisition.

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on cost, using the Straight-line Method over the useful life of the property, which is as follows:

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.4 Investment property (continued)

Item

Property - buildings	Useful life
	30 - 50 years
	30

Subsequent Measurement: Investment Property is measured using the Cost Model and is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on cost, using the Straight-line Method over the useful life of the property.

The gain or loss arising from the derecognition of an item of Investment Property is included in Surplus or Deficit when the item is derecognised.

The useful life of the property, is as follows:

- Property - land : indefinite useful life.
- Property - buildings : 30 - 50 years useful life.

1.5 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used for more than one year.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	5 - 75 years
Furniture and fixtures	Straight line	4 - 10 years
Motor vehicles	Straight line	10 - 40 years
Office equipment	Straight line	4 - 10 years
IT equipment	Straight line	3 - 10 years
Community assets	Straight line	10 - 75 years
Electrical infrastructure	Straight line	15 - 50 years
Roads infrastructure and stormwater	Straight line	8 - 80 years
Sanitation infrastructure	Straight line	10 - 70 years
Water infrastructure	Straight line	10 - 80 years
Machinery and equipment	Straight line	5 - 30 years

Depreciation on assets other than land is calculated on cost, using the Straight-line Method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.5 Property, plant and equipment (continued)

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the municipality to amend the previous estimate unless expectations differ from the previous estimate. If the expectation differs from the previous estimates, the change is accounted for in accordance with GRAP 3 either prospectively as a change in the accounting policy or retrospectively as a prior period error depending on the specific circumstances.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets capitalised under finance leases are depreciated over their expected useful lives on the same basis as Property, Plant and Equipment controlled by the municipality or, where shorter, the term of the relevant lease if there is no reasonable certainty that the municipality will obtain ownership by the end of the lease term.

1.6 Heritage assets

Heritage assets are carried cost less any accumulated impairment losses.

The gain or loss arising from the derecognition of an item of heritage assets is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Financial assets are:

- cash;
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities under conditions that are potentially favourable to the entity.

Trade and Other Receivables exclude Value Added Taxation, Prepayments and Operating Lease Receivables, and are classified as Financial Assets at Amortised Cost.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Financial instruments at fair value comprise financial assets that are:

- financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.7 Financial instruments (continued)

Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the Statement of Financial Position as at 30 June 2025 or in the notes thereto:

Class	Category
Investments – Old Mutual - Unit Trust	Financial Assets at Fair Value
Receivables from Exchange Transactions	Financial asset measured at amortised cost
Receivables from Non-exchange Transactions	Financial asset measured at amortised cost
Bank, Cash and Cash Equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the Statement of Financial Position as at 30 June 2025 or in the notes thereto:

Class	Category
Payables from Exchange Transactions	Financial liability measured at amortised cost
Other Payables	Financial liability measured at amortised cost

Initial recognition and measurement

A financial instrument is recognised, when the municipality becomes a party to the contractual provisions of the instrument and are initially measured at fair value. In the case of a financial instrument not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instrument are added or deducted from the fair value, as appropriate on initial recognition.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.
- Financial instruments at amortised cost.

All financial assets measured at amortised cost, are subject to an impairment review. A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of Financial Performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of Financial Performance.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market.

Derecognition

Financial assets

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

Financial liabilities

The entity derecognise financial liabilities when it is discharged, cancelled, or if expired.

1.8 Statutory receivables

Identification

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.8 Statutory receivables (continued)

Statutory Receivables are receivables that arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset..

The municipality has the following Statutory Receivables from Exchange Transactions:

- VAT Receivable

The municipality has the following Statutory Receivables from Non-exchange Transactions:

- Assessment Rates.
- Traffic fines.

Recognition

Statutory Receivables are recognised if the transaction is an exchange transaction per GRAP 9 or a non-exchange transaction per GRAP 23 or, if the transaction is not within the scope of GRAP 9 or GRAP 23, or another Standard of GRAP, and the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the transaction amount can be reliably measured.

The municipality recognises Statutory Receivables when they arise.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

The transaction amounts of the Statutory Receivables of the municipality are determined as follows:

- VAT is levied and recovered in terms of the stipulations contained in the Value-Added Tax Act, 1991 (Act No. 89 of 1991) at rates determined by the Department of Finance and published in the Government Gazette
- Assessment Rates are levied in terms of the stipulations contained in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) at rates determined each year by Council.
- Fines are serviced in terms of the stipulations contained in the Criminal Procedures Act, 1977 (Act No. 51 of 1977) at rates published in the Government Gazette from time to time.

Subsequent Measurement:

The municipality measures statutory receivables using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- Interest or other charges that may have accrued on the receivable (where applicable);
- Impairment losses; and
- Amounts derecognised.

Impairment losses

Statutory Receivables are assessed for indicators of impairment at the end of each reporting period. Statutory Receivables are impaired where there is any indication of impairment of Statutory Receivables, such as the probability of insolvency or significant financial difficulties of the debtor.

In assessing whether Statutory Receivables are impaired, the municipality assesses whether there are any indications that individually significant receivables are impaired; and/or groups of similar, individually insignificant, receivables are impaired. The municipality groups together and assesses collectively for impairment those receivables that exhibit similar characteristics which provide information about the possible collectability of the amounts owing to the municipality. The municipality uses the following groupings:

- Assessment Rates; and
- Fines

If there is such evidence the carrying amount is reduced to the estimated future cash flows, an impairment loss is recognised, directly or indirectly, through the use of an allowance account, with the amount of the impairment loss being recognised in Surplus or Deficit.

Derecognition

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.8 Statutory receivables (continued)

The municipality derecognises Statutory Receivables only when the rights to the cash flows from the receivable expires or it transfers the Statutory Receivable and substantially all the risks and rewards of ownership of the receivable to another municipality, except when council approves the write-off of the receivable due to non-recoverability.

1.9 Value Added Tax

The municipality accounts for Value Added Tax on the Payments Basis in accordance with section 15(2)(a) of the Value-Added Tax Act (Act No. 89 of 1991).

1.10 Leases

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the Statement of Financial Position as at 30 June 2025 at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Statement of Financial Position as at 30 June 2025 as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.11 Inventories

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.12 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position as at 30 June 2025 after deducting any accumulated depreciation and accumulated impairment losses thereon.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.12 Impairment of cash-generating assets (continued)

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash-generating assets.

1.13 Employee benefits

Short-term employee benefits

Short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- (a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- (b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

The municipality measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Staff Leave Accrual: Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year-end and also on the total remuneration package of the employee.

Provision for Staff Bonuses: Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year-end for each employee.

Short-term paid absences

The municipality pays employees for absence for various reasons including holidays, sickness and short-term disability, and maternity or paternity. The expected cost of short-term employee benefits in the form of paid absences for accumulating paid absences is recognised when the employees render service that increases their entitlement to future paid absences. The expected cost of non-accumulating paid absences is recognised when the absences occur.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.13 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.13 Employee benefits (continued)

Post-employment benefits: Defined benefit plans

Recognition and measurement: Present value of defined benefit obligations and current service cost

The entity uses the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost.

Attributing benefit to periods of service

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, the entity attributes benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the entity attributes benefit on a straight-line basis from:

- (a) the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- (b) the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the end of the reporting period, for the period over which the obligations are to be settled.

Actuarial assumptions: Mortality

The entity determines its mortality assumptions by reference to its best estimate of the mortality of plan members both during and after employment.

Actuarial assumptions: Discount rate

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Actuarial assumptions: Salaries, benefits and medical costs

The entity measures its defined benefit obligations on a basis that reflects:

- (a) the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the end of the reporting period;
- (b) any estimated future salary increases that affect the benefits payable;
- (c) the effect of any limit on the employer's share of the cost of the future benefits;
- (d) contributions from employees or third parties that reduce the ultimate cost to the entity of those benefits; and
- (e) estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - (i) those changes were enacted before the end of the reporting period; or
 - (ii) historical data, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs takes account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.13 Employee benefits (continued)

Past service cost and gains and losses on settlement

When determining past service cost, or a gain or loss on settlement, the entity remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions (including current market interest rates and other current market prices), reflecting:

- (a) the benefits offered under the plan and the plan assets before the plan amendment, curtailment or settlement; and
- (b) the benefits offered under the plan and the plan assets after the plan amendment, curtailment or settlement.

Past service cost

The entity recognises past service cost as an expense at the earlier of the following dates:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

Gains and losses on settlement

The entity recognises a gain or loss on the settlement of a defined benefit plan when the settlement occurs.

Components of defined benefit cost

The entity recognises the components of defined benefit cost in surplus or deficit, as follows:

- A) Service Cost, comprising of:
 - Current Service Cost;
 - Settlements; and
 - Past Service Cost, comprising of:
 - (1) Plan Amendments
 - (2) Curtailments
- B) Net Interest Revenue / Expense
- C) Remeasurements, comprising of:
 - Actuarial Gains and Losses

Presentation

Components of defined benefit cost

The municipality recognises service cost, net interest on the net defined benefit liability and remeasurements in surplus or deficit.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.13 Employee benefits (continued)

Long service awards

The municipality's liability is based on an actuarial valuation. The Projected Unit Credit Method is used to value the liability. Actuarial gains and losses on the long service awards are recognised in the statement of financial performance including:

- (a) service cost;
- (b) net interest on the net defined benefit liability; and
- (c) remeasurements of the net defined benefit liability.

Termination benefits

The municipality provides termination benefits for its employees in terms of the municipality's Employee Benefit Plan. Termination Benefits to employees is recognised as an expense in the Statement of Financial Performance and as a liability in the Statement of Financial Position when the municipality can no longer withdraw the offer of those benefits.

1.14 Provisions

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent assets and contingent liabilities are not recognised. The amounts for contingencies disclosed in note 41 are based on legal claims and invoices from claimants.

1.15 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.16 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Sale of goods

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.16 Revenue from exchange transactions (continued)

Rendering of services

Revenue is associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

Service Charges relating to electricity and water are based on consumption, together with a basic charge. Meters are read on a monthly basis and are recognised as revenue when invoiced.

Revenue from the sale of electricity prepaid meter cards are recognised at the point of sale.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest

Interest is levied at the interest rate determined in the credit control and debt collection policy under section 11.2 & 11.3.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.17 Revenue from non-exchange transactions

Rates, including collection charges and penalties interest

Changes to property values during a reporting period are valued by a suitably qualified valuator and adjustments are made to rates revenue, based on a time proportion basis. Adjustments to rates revenue already recognised are processed or additional rates revenue is recognised.

Penalty, interest on unpaid rates is recognised on a time-proportionate basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Fines

The municipality has two types of fines: spot fines and summonses. There is uncertainty regarding the probability of the flow of economic benefits or service potential in respect of spot fines as these fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect of summonses the public prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender. An estimate is made for the revenue amount collected from spot fines and summonses based on past experience of amounts collected. Where a reliable estimate cannot be made of revenue from summonses, the revenue from summonses is recognised when the public prosecutor pays over to the entity the cash actually collected on summonses issued.

Levies

Bequests that satisfy the definition of an asset are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality, and the fair value of the assets can be measured reliably.

- The extent and success of procedures to investigate the non-submission of a declaration by defaulting levy payers;
- Internal records maintained of historical comparisons of estimated levies with actual levies received from individual levy payers;
- Historical information on declarations previously submitted by defaulting levy payers; and
- The accuracy of the database of levy payers as well as the frequency by which it is updated for changes.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.17 Revenue from non-exchange transactions (continued)

Government grants

Equitable share allocations are measured at the amount of the allocation per the allocation letter.

Conditional grants, donations and funding are measured as revenue equal to the asset amount recognised less the liability for unfulfilled conditions.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, measured at the estimated amount receivable.

Other grants and donations

Revenue is measured at the amount received or the fair value of the asset received in-kind. Significant services in-kind are measured at the estimate of the value of the service received.

Other grants and donations are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the amount of the revenue can be measured reliably; and
- to the extent that there has been compliance with any restrictions associated with the grant.

If goods in-kind are received without conditions attached, revenue is recognised immediately. If conditions are attached, a liability is recognised, which is reduced and revenue recognised as the conditions are satisfied.

1.18 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.19 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.20 Accounting by principals and agents

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

Refer to note 49.

1.21 Prior-year adjustments

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason of classification is disclosed. Where material prior period errors have been identified in the current year, the correction is made retrospectively as far as it is practicable and the prior year comparatives are restated accordingly.

Refer to note 47 for comparative figures.

1.22 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.22 Unauthorised expenditure (continued)

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.24 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy.

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable). Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Irregular expenditure as defined in MFMA as expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including:

- this Act; or
- the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

- Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.
- Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.
- Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.
- Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.25 Segment reporting

The mandate of the municipality is to provide basic services to the community over which it governs. In order to properly execute its mandate and achieve its strategic goals, internal management reporting is based on each service objective and also considered separately for each of the towns within the municipal jurisdiction. The components described below have been identified as individually significant segments for purposes of reporting in terms of GRAP 18 (Segment Reporting).

The following services are considered significant to the municipality and is accordingly managed separately:

- Energy sources - includes the following services: Electricity;
- Executive And Council - includes the following services: Mayor, council and municipal manager;
- Finance And Administration - includes the following services: Finance admin and corporate support;
- Public Safety and Community and social service - includes the following services: Traffic and parking control, community halls and parks, recreational services, cemeteries, libraries and fire fighting;
- Planning and Development - includes the following services;;
- Waste Management - includes the following services: Solid waste removal ;
- Waste Water Management - includes the following services: Sewar disposal, waste water treatment and reticulation;
- Water Management - includes the following services: Water distribution, reticulation, and water purification;and
- Other - includes the following services: Human resources, fleet management, asset management, public works, IT, and building services.

All other sources of income and expenditure is aggregated through means of the administrative function as these services are not significant to the other services of the municipality as a whole.

The municipality only operates in a single geographical location and accordingly does not report separately on each location within its jurisdiction.

The accounting policies for segmental reporting in the management accounts are aligned to the requirements of GRAP as described in these accounting policies.

A measure of assets and liabilities for each reportable segment are not presented as these amounts are not regularly provided to management.

No changes were made from prior periods measurement methods used to determine reported segment surplus or deficit.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management.

1.26 Budget information

Municipalities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

Deviations between budget and actual amounts are regarded as material differences when a 10% deviation exists. All material differences are explained in the relevant Notes to the Annual Financial Statements.

General purpose financial reporting by the municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved and adjustment budget' covers the fiscal period from 2024/07/01 to 2025/06/30 as approved by council.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.26 Budget information (continued)

The Statement of comparative and actual information has been included in the annual financial statements as the recommended disclosure when the annual financial statements and the budget are on the same basis of accounting as determined by National Treasury.

1.27 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.28 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Significant Accounting Policies

1.29 Changes in accounting policies, estimates and errors

Changes in accounting policies that are effected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Details of Changes in Accounting Policies are disclosed in the Notes to the Annual Financial Statements where applicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Details of Correction of Errors are disclosed in the Notes to the Annual Financial Statements where applicable.

1.30 Risk management of financial assets and liabilities

It is the policy of the municipality to disclose information that enables the user of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the municipality is exposed on the reporting date.

The Municipality has exposure to the following risks from its use of financial instruments:

- Liquidity;
- Credit risk, and
- Market risk

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
2. New standards and interpretations			
2.1 Standards and interpretations issued, but not yet effective			
The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2025 or later periods:			
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:	
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	effective date to be determined	The objective of this amendment is to include additional guidance and disclosures on going concern. Management will continue to assess the entity's ability to continue as a going concern as assess the relevance thereof at each reporting date.	
• GRAP 103 (amended): Heritage Assets	effective date to be determined	Unlikely there will be a material impact	
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact	
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact	
3. Inventories			
Consumable stores		1 252 538	803 597
Water for distribution		77 541	45 183
		1 330 079	848 780
3.1 Inventory expensed			
Water consumed		14 497 289	14 092 724
Water losses		6 712 973	5 691 465
Consumable stores		3 368 885	4 616 023
		24 579 147	24 400 216
Water is purchased from the Department of Water and Sanitation in addition to natural water resources being used from local dams. See note 31 for the amount of inventory expensed and note 36 for water losses.			
Water for distribution			
Opening balance		45 183	12 566
System input volume		21 242 620	19 884 944
Authorised consumption		(14 497 289)	(14 160 862)
Water losses	31	(6 712 973)	(5 691 465)
		77 541	45 183
Closing balance			

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
4. Receivables from exchange transactions		
Gross balances		
Electricity	62 994 956	49 069 315
Water	348 135 937	304 284 082
Waste water	215 371 952	170 708 451
Refuse	109 659 391	94 933 864
Merchandising, jobbing and contracts	154 491 056	162 262 787
	890 653 292	781 258 499
Less: Allowance for impairment		
Electricity	(49 427 885)	(42 803 020)
Water	(323 402 008)	(283 462 551)
Waste water	(188 625 139)	(154 408 312)
Refuse	(100 279 217)	(86 007 244)
Merchandising, jobbing and contracts	(154 428 765)	(154 782 442)
	(816 163 014)	(721 463 569)
Net balances		
Electricity	13 567 071	6 266 295
Water	24 733 929	20 821 531
Waste water	26 746 813	16 300 139
Refuse	9 380 174	8 926 620
Merchandising, jobbing and contracts	62 291	7 480 345
	74 490 278	59 794 930
Electricity		
Current (0 -30 days)	5 338 662	1 323 152
31 - 60 days	1 809 223	1 458 046
61 - 90 days	2 334 033	1 467 530
91 - 120 days	1 449 234	1 336 719
121 - 365 days	9 405 984	7 861 827
> 365 days	42 657 819	36 043 226
Allowance for impairment	(49 427 884)	(43 224 205)
	13 567 071	6 266 295
Water		
Current (0 -30 days)	5 071 765	4 524 654
31 - 60 days	4 505 396	3 916 906
61 - 90 days	4 124 292	4 028 584
91 - 120 days	4 232 403	3 953 557
121 - 365 days	34 291 707	29 830 907
> 365 days	295 910 374	258 029 474
Allowance for impairment	(323 402 008)	(283 462 551)
	24 733 929	20 821 531
Waste water		
Current (0 -30 days)	4 843 294	2 896 520
31 - 60 days	4 344 828	2 716 072
61 - 90 days	4 094 278	2 642 675
91 - 120 days	4 078 529	2 593 457
121 - 365 days	32 786 639	19 124 585
> 365 days	165 224 384	140 735 143
Allowance for impairment	(188 625 139)	(154 408 313)
	26 746 813	16 300 139

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
4. Receivables from exchange transactions (continued)		
Refuse		
Current (0 -30 days)	1 729 254	1 674 573
31 - 60 days	1 528 280	1 484 060
61 - 90 days	1 476 727	1 448 212
91 - 120 days	1 446 932	1 429 047
121 - 365 days	11 740 368	10 307 395
> 365 days	91 737 830	78 590 578
Allowance for impairment	(100 279 217)	(86 007 245)
	9 380 174	8 926 620
Merchandising, jobbing and contracts		
Current (0 -30 days)	341 851	1 392 540
31 - 60 days	298 834	313 406
61 - 90 days	255 971	350 629
91 - 120 days	276 333	416 179
121 - 365 days	7 017 924	2 709 277
> 365 days	146 300 142	157 080 756
Allowance for impairment	(154 428 764)	(154 782 442)
	62 291	7 480 345

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
4. Receivables from exchange transactions (continued)		
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)	12 101 763	8 961 364
31 - 60 days	11 203 844	8 368 424
61 - 90 days	10 392 859	8 265 721
91 - 120 days	10 447 103	8 153 248
121 - 365 days	89 194 797	61 624 372
> 365 days	716 409 798	585 186 439
	849 750 164	680 559 568
Industrial/ commercial		
Current (0 -30 days)	3 847 558	1 888 699
31 - 60 days	1 135 967	895 458
61 - 90 days	1 779 700	1 003 713
91 - 120 days	926 952	991 901
121 - 365 days	4 877 390	4 107 237
> 365 days	17 599 042	23 875 713
	30 166 609	32 762 721
National and provincial government		
Current (0 -30 days)	1 376 354	961 375
31 - 60 days	146 750	624 607
61 - 90 days	122 743	668 197
91 - 120 days	109 375	583 810
121 - 365 days	1 170 436	4 557 844
> 365 days	7 810 861	60 961 562
	10 736 519	68 357 395
Total		
Current (0 -30 days)	17 325 675	11 811 438
31 - 60 days	12 486 562	9 888 489
61 - 90 days	12 295 302	9 937 631
91 - 120 days	11 483 431	9 728 958
121 - 365 days	95 242 623	70 289 552
> 365 days	741 819 700	670 023 618
	890 653 293	781 679 686
Less: Allowance for impairment	(816 163 015)	(721 884 756)
	74 490 278	59 794 930
Reconciliation of allowance for impairment		
Balance at beginning of the year	(721 884 756)	(711 791 801)
Contributions to allowance	(94 278 258)	(9 671 768)
	(816 163 014)	(721 463 569)
Consumer debtors pledged as security		
None of the consumer debtors were pledged as security.		
Prior year adjustments		

The prior year amount for Receivables from Exchange Transactions has been adjusted. Refer to Note 47 for details of the restatement.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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4. Receivables from exchange transactions (continued)

Consumer debtors past due but not impaired

Consumer debtors are considered past due after 30 days. Consumer debtors which are less than 180 days but past due are not considered to be impaired. At 30 June 2025 R60 127 668 (2024: R51 130 831) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	12 947 516	10 443 191
2 months past due	12 752 792	10 676 599
3 months past due	11 955 815	10 296 881

Consumer debtors impaired

Consumer debtors of more than 180 days have been tested for impairment. As of 30 June 2025, consumer debtors of R764 536 367 (2024: R721 884 756) were impaired and provided for.

The debt impairment calculations for the year ended 30 June 2025 has been performed in accordance with the Council approved "Provision for Doubtful Debt Policy and Debt Write-off Policy 2024-2025". The Policy entails calculating impairment on debt of 180 days and older by applying the non-payment ratio for each respective customer whilst taking cognisance of credit balances within receivables as well as inactive accounts and approved indigents.

The municipality does not hold any collateral as security.

5. Other receivables from exchange transactions

Sundry receivables	1 757 113	1 882 431
Land sales debtors	-	136 000
	1 757 113	2 018 431

Prior year adjustments

The prior year amount for other receivables from exchange has been adjusted. Refer to Note 47 for details of the restatement.

6. Receivables from non-exchange transactions

Fines	274 098	353 554
Property rates	37 334 622	34 970 830
	37 608 720	35 324 383

Statutory receivables included in receivables from non-exchange transactions above are as follows:

Taxes	37 334 624	34 970 830
Fines	274 098	353 554
	37 608 722	35 324 384

Financial asset receivables included in receivables from non-exchange transactions above -

Prior year adjustments

The prior year amount for Receivables from non-exchange transactions has been adjusted. Refer to Note 47 for details of the restatement.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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6. Receivables from non-exchange transactions (continued)

Receivables from non-exchange transactions past due but not impaired

Traffic fines

As of 30 June 2025, traffic fines of R490 759 (2024: R356 851) were tested for impairment. During the 2025 financial year, 28% of traffic fines issued were paid, whilst 26% of traffic fines issued were paid during the 2024 financial year. Traffic fines to the value of R242 500 (2024: R20 250) were not considered for impairment as the period for appeal has not expired. The amount of the provision was R3 113 052 as of 30 June 2025 (2024: R2 559 186).

Property rates

As of 30 June 2025, gross Receivables: Non-exchange Transactions Property Rates amounted to R331 568 652 (2024: R294 849 475). Debtors are considered past due after days up to 30 days. Debtors of more than 180 days have been tested for impairment. Consumers past due not impaired amounted to R23 482 650 (2024: R21 976 977). The amount of the provision was R295 586 464 of 30 June 2025 (2024: R267 184 773).

Property rates comprises of the following:

Age analysis

Current (0-30 days)

31-60 days

61-90 days

91-120 days

121-365 days

>365 days

Allowance for impairment

	5 603 043	3 668 602
	4 820 484	4 763 443
	4 579 788	4 611 994
	4 501 574	4 513 032
	44 421 188	48 528 209
	267 642 573	228 764 195
	(295 586 464)	(267 184 773)
	35 982 186	27 664 702

Reconciliation of impairment provision

	Opening balance	Contribution	Impairment reversed / Debt written off	Total
Fines	2 559 187	553 865	-	3 113 052
Property rates	267 184 773	28 401 691	-	295 586 464
	269 743 960	28 955 556	-	298 699 516

Receivables from non-exchange transactions impaired

During the 2025 financial year 28% of traffic fines were paid, whilst 26% of traffic fines issued were paid during the 2024 financial year.

Erroneous application of charges during the scheduled change in the general valuation roll

A new general valuation came into effect on 1 July 2019. Several valuations were incorrectly captured on the municipality's financial management system from the records provided by the valuer. The municipality concluded a data cleansing exercise that resulted in the correction and updating of the valuation roll.

7. Investments

Designated at fair value

Old Mutual Unit Trust

The valuation of the shares is based on the fair value of the unit price and number of shares obtained as at 30 June 2025. The number of shares held with Old Mutual is 2 201.67165 at a value of 52 795.3 cents per share. This investment is a short term investment and can be accessible at any given time and has no maturity date.

1 162 379	974 629
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Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

7. Investments (continued)

Current assets

Designated at fair value

1 162 379 974 629

8. VAT Receivable

Statutory receivables from exchange transactions

VAT Receivable

1 441 363 828 008

Current assets

1 441 363 828 008

Statutory receivables general information

Transaction(s) arising from statute

VAT Receivable is the Net Receivable from all VAT Control Accounts and agree to the VAT201 Returns.

VAT Receivable arise where the municipality has a claim from the South African Revenue Service where the VAT Inputs exceeded the VAT outputs as per the Value-Added Tax Act 89 of 1991.

VAT Receivable is not impaired nor is it discounted as the amount is expected to be receivable within 60 days.

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances

Short-term deposits

14 068 389 7 024 714
16 597 558 1 927 340
30 665 947 8 952 054

The prior year amount for cash and cash equivalents has been adjusted. Refer to Note 47 for details of the restatement.

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances			
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
First National Bank - 5418-0010-025	14 056 667	7 255 337	23 574 522	14 068 389	7 024 714	23 549 903
First National Bank - MIG account - 7438-8117-704	1 927 341	1 927 341	7 991 242	1 927 341	1 927 340	7 991 242
First National Bank - 6209-2639-875	14 670 217	-	498 910	14 670 217	-	498 910
Standard Bank - investment account - 038-749-688	-	-	101 847	-	-	101 847
Total	30 654 225	9 182 678	32 166 521	30 665 947	8 952 054	32 141 902

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment

	2025				2024			
	Cost /	Accumulated	Carrying value	Cost /	Accumulated	Carrying value		
	Valuation	depreciation and impairment	Valuation	depreciation and impairment	Valuation	depreciation and impairment		
Land	58 534 938	(126 023)	58 408 915	58 976 330	(126 023)	58 850 307		
Operating buildings	69 058 209	(36 580 561)	32 477 648	69 825 679	(35 145 466)	34 680 213		
Community	72 229 381	(47 045 506)	25 183 875	70 053 632	(40 485 900)	29 567 732		
Electrical infrastructure	389 402 754	(228 394 321)	161 008 433	381 367 120	(216 505 050)	164 862 070		
Road infrastructure	803 860 844	(620 670 832)	183 190 012	793 118 473	(605 713 910)	187 404 563		
Sanitation infrastructure	331 447 594	(188 904 335)	142 543 259	328 635 649	(183 036 715)	145 598 934		
Storm water infrastructure	111 858 774	(73 662 638)	38 196 136	110 347 429	(70 672 205)	39 675 224		
Water supply infrastructure	654 908 564	(294 408 960)	360 499 604	620 067 809	(282 282 199)	337 785 610		
Leased Assets	600 651	(200 218)	400 433	-	-	-		
IT equipment	4 722 750	(2 960 082)	1 762 668	4 892 361	(3 239 537)	1 652 824		
Furniture and office equipment	6 351 400	(4 362 280)	1 989 120	7 118 430	(5 190 058)	1 928 372		
Machinery and equipment	6 470 414	(1 635 089)	4 835 325	6 241 422	(1 008 170)	5 233 252		
Transport assets	36 711 865	(10 892 406)	25 819 459	32 750 442	(10 298 604)	22 451 838		
Solid waste infrastructure	71 398 677	(34 561 516)	36 837 161	71 553 426	(29 430 766)	42 122 660		
Total	2 617 556 815	(1 544 404 767)	1 073 152 048	2 554 948 202	(1 483 134 603)	1 071 813 599		

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

Opening balance	28 461 912	(5 904 924)	54 215 921	126 553	(59 674 280)	(15 886 730)	1 073 152 048
Land	58 850 307	(441 392)	-	-	-	-	58 408 915
Operating buildings	34 680 213	(144 388)	-	-	-	(332 100)	32 477 648
Community assets	29 567 732	(478 302)	-	-	-	(5 681 977)	25 183 875
Electrical infrastructure	164 862 070	(34 030)	8 146 430	-	(7 245 971)	(4 720 066)	161 008 433
Road infrastructure	187 404 563	(732 150)	1 878 603	-	(16 544 100)	(1 601 090)	183 190 012
Sanitation infrastructure	145 598 934	(773 343)	5 683 799	-	(7 105 288)	(660 843)	142 543 259
Storm water infrastructure	39 675 224	(42 907)	1 621 576	-	(2 485 168)	(572 589)	38 196 136
Water supply infrastructure	337 785 610	(1 845 314)	36 885 513	-	(14 388 736)	(2 419 297)	360 499 604
Leased assets	(1)	600 651	-	-	(200 217)	-	400 433
IT equipment	1 652 824	(44 426)	-	101 758	(436 685)	132 990	1 762 668
Furniture and fixtures	1 928 370	(58 154)	-	24 795	(356 086)	153 016	1 989 120
Machinery and equipment	5 233 252	(98 999)	-	-	(1 003 932)	20 004	4 835 325
Transport assets	22 451 838	(1 209 129)	-	-	(1 199 028)	(2 822)	25 819 459
Solid waste infrastructure	42 122 660	(2 390)	-	-	(5 281 153)	(1 956)	36 837 161

Opening balance Additions Disposals WIP Donations Depreciation Impairment Total

Notes to the Annual Financial Statements

Figures in Rand

10. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

Opening balance	Additions	Transfers in	Disposals	Transfers out	Donations	Depreciation	Impairment loss	Total
58 864 273	-	-	(13 966)	-	-	-	-	58 850 307
Operating buildings	36 738 966	-	-	-	-	(1 749 569)	(309 184)	34 680 213
Land	32 011 466	-	-	-	-	(1 883 192)	(560 542)	29 567 732
Community	171 226 032	887 005	734 830	(734 831)	-	(7 248 705)	(2 261)	164 862 070
Electrical infrastructure	205 719 601	8 943 927	5 591 685	(5 794 469)	(6 279 597)	(19 937 136)	(839 448)	187 404 563
Roads infrastructure	149 634 122	9 891 743	14 445 248	-	(19 365 279)	(4 985 379)	(4 021 521)	145 598 934
Sanitation infrastructure	41 663 633	-	687 911	(10 871)	-	(2 501 501)	(163 948)	39 675 224
Storm water infrastructure	344 756 858	14 965 515	7 084 922	(6 575 465)	-	(16 290 584)	(6 155 636)	337 785 610
Water supply infrastructure	191 185	-	-	(57 355)	-	(133 830)	-	-
Leased assets	2 296 302	270 705	-	(26 013)	-	(582 332)	(353 756)	1 652 824
IT equipment	2 714 628	9 688	-	(3 114)	-	(507 119)	(635 549)	1 928 372
Furniture and fixtures	421 916	5 230 677	-	-	7 069	(306 895)	(118 922)	5 233 252
Machinery and equipment	40 844 223	-	-	(16 066 719)	-	(2 223 469)	(102 197)	22 451 838
Transport assets	47 426 683	-	-	-	-	(5 304 023)	-	42 122 660
Solid waste infrastructure	1 134 509 888	40 199 260	28 544 596	(21 972 507)	(32 955 172)	(63 653 734)	(13 262 964)	1 071 813 599

Prior-year adjustments

The prior year amount for property plant and equipment has been adjusted. Refer to Note 47 for details of the restatement.

Assets subject to finance lease (Net carrying amount)

Office equipment

400 433

Included in the disclosure of property, plant and equipment is the capital expenditure relating to construction projects, which are referred to as Work-in-Progress.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024		
10. Property, plant and equipment (continued)					
Reconciliation of Work-in-Progress 2025	Opening balances	Project expenditure	Project completions included in additions	Impaired	Closing balance
Included within infrastructure	81 366 410	71 481 935	(17 266 093)	-	135 582 252
Included within Community Assets	-	3 478 261	(3 478 261)	-	-
	81 366 410	74 960 196	(20 744 354)	-	135 582 252
Reconciliation of Work-in-Progress 2024	Opening balances	Project expenditure	Project completions included in additions	Impaired	Closing balance
Included within infrastructure	85 703 575	26 100 559	(26 174 730)	(4 262 994)	81 366 410
Repair and maintenance					
Expenditure incurred for Repairs and Maintenance					
Buildings				4 332	281 134
Plant and machinery				8 535	123 229
Motor vehicles				2 276 591	3 252 656
IT equipment				16 432 070	11 139 157
Infrastructure				5 643 263	11 579 350
Community				-	372 099
				24 364 791	26 747 625
Slow-moving projects					
Upgrading and refurbishment of Volksrust Waste Water Treatment Works from 4ml to 8ml - Water Supply				36 255 708	36 255 708
Construction of Bulk Water Pipeline from Marthins Dam (Wakkerstroom) to Volksrust WWTW (35km)				16 284 559	16 284 559
Outfall Sewer and Sewer Networks for Amersfoort Town - Sanitation				2 794 202	2 794 202
				55 334 469	55 334 465

Three Work in Progress (WIP) projects have been identified by management as slow-moving projects and their balances have been included in the Work-in-Progress closing balance at year end. The three projects were previously funded through the WSIG grant in prior years, however funding was not available during the year under review. An amount of R 4 262 994 was impaired as specified by GRAP 17 on the project for the Volksrust Waste Water Treatment Plant. No impairment were done for the Bulk Water Pipeline. Furthermore, management has provided a budget for 'Outfall Sewer Networks for Amersfoort Town. This project resumed in the 2024/25 financial year and the additional costs were included in WIP.

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

11. Investment property

2025					
Cost /	Accumulated	Carrying value	Cost /	Accumulated	Carrying value
Valuation	depreciation		Valuation	depreciation	
and	and		and	and	
impairment	impairment		impairment	impairment	
89 677 953	(35 780 265)	53 897 688	90 243 274	(35 758 998)	54 484 276
Investment property					

Reconciliation of investment property - 2025

Investment property	Opening balance	Disposals	Depreciation	Total
	54 484 276	(565 321)	(21 267)	53 897 688

Reconciliation of investment property - 2024

Investment property	Opening balance	Disposals	Depreciation	Total
	54 723 690	(218 088)	(21 326)	54 484 276

Prior year adjustments

The prior year amount for investment properties has been adjusted. Refer to Note 47 for details of the restatement.

12. Heritage assets

2025					
Cost /	Accumulated	Carrying value	Cost /	Accumulated	Carrying value
Valuation	impairment		Valuation	impairment	
losses	losses		losses	losses	
3 696 999	-	3 696 999	3 696 999	-	3 696 999

Historical monuments

Reconciliation of heritage assets 2025

Historical monuments

Reconciliation of heritage assets 2024

Historical monuments

Opening	Opening
balance	balance
3 696 999	3 696 999
Total	Total
3 696 999	3 696 999

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
13. Payables from exchange transactions		
Trade payables	62 635 465	45 471 978
Advance payments	11 239 380	12 339 736
Retentions	34 416 671	25 849 648
Control, clearing and interface accounts	5 275 837	3 882 103
Unallocated deposits	8 962 818	8 646 245
Department of Water and Sanitation - Bulk water	8 691 595	8 691 595
Sundry Creditors	1 302 597	1 450 910
Advance payments - Land sales	3 323 040	-
	135 847 403	106 332 215

The prior year amount for Payables from Exchange Transactions has been adjusted. Refer to Note 47 for details of the restatement.

14. VAT payable	
VAT Output Accrual [on Receivables]	131 408 797 119 636 755

The VAT position above is the VAT Accrual as at 30 June each year.

VAT is payable on the receipts basis. The municipality however uses accrual accounting, and only once payment is received from debtors, VAT is paid over to SARS.

Furthermore, VAT is claimable on the payment basis.

The prior year amount for VAT has been adjusted. Refer to Note 47 for details of the restatement.

15. Consumer deposits	
Electricity and Water	1 639 222 1 667 148
Housing rental	81 806 33 975
	1 721 028 1 701 123

Electricity: Consumer Deposits are paid by consumers on application for new connections. The deposits are repaid when the connections are terminated. In cases where consumers default on their accounts, the municipality can utilise the deposit as payment for the outstanding account.

Housing rental: Deposits are paid for the rental of properties. Deposits will not be repaid in the case of outstanding rent or in the case of property being damaged.

No interest is paid on Consumer Deposits held.

16. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts
Municipal infrastructure grant
Provincial Government: Capacity building support grant
Municipal disaster response grant
Integrated national electrification programme grant
Water service infrastructure grant

	-	309 087
	334 417	2 903 861
	-	700 000
	6 067 606	-
	4 882 645	(659 205)
	11 284 668	3 253 743

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
16. Unspent conditional grants and receipts (continued)		
Movement during the year		
Balance at the beginning of the year	3 253 743	14 940 794
Current year receipts	107 968 100	54 044 819
Conditions met - Transferred to revenue	(99 937 175)	(50 131 870)
Repaid to National Treasury	-	(15 600 000)
	11 284 668	3 253 743

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited; and unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 27 for reconciliation of grants from National and Provincial Government. These amounts are invested in a ring-fenced investment until utilised.

17. Finance lease obligation

Minimum lease payments due		
- within one year	238 543	-
- in second to fifth year inclusive	258 421	-
	496 964	-
less: future finance charges	(58 046)	-
Present value of minimum lease payments	438 918	-
Present value of minimum lease payments due		
- within one year	197 375	-
- in second to fifth year inclusive	241 543	-
	438 918	-
Non-current liabilities		
Current liabilities	241 543	-
	197 374	-
	438 917	-

The municipality entered into a 36 months lease contract on photocopiers with Pendigo Trade and Investment (Pty) Ltd trading as Itec finance which commenced on 01 July 2024 and will end on 30 June 2027. The legal nature of the lease agreement is an operating lease but substance over form prevails in the context of GRAP 13. The lease agreement meets the requirement of a finance lease and has been accounted for as such in accordance with GRAP 13. The average lease term was 3 years and the average effective borrowing rate was 11.75%. This effective borrowing rate was used to perform the discounting of present value of future minimum lease payments.

All leases have fixed repayments over the duration of the lease term.

The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

It is municipality policy to lease certain equipment under finance leases.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

18. Employee benefit obligations

Defined benefit plans - General information

Post-Employment Medical Aid subsidy liability

The characteristics of the post-employment medical aid subsidy considers all employees, retirees and their dependants whose participation in the health care arrangements entitles them to a post-employment medical aid subsidy. The post-employment health care liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability.

Eligible employees will receive a post-employment subsidy of 60% of the contribution payable should they be a member of a medical scheme at retirement. Continuation members and their eligible dependants receive a 60% subsidy. All post-employment subsidies are subject to a maximum of R 5,791 per principal member per month, for the year ending 30 June 2026. The maximum subsidy amount has been assumed to increase annually on 1 July at 75% of salary inflation. Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy. Upon a member's death-in-retirement, surviving dependants are entitled to continue to receive the same subsidy.

Discount Rate: GRAP 25 stipulates that the choice of this discount rate should be derived from government bond yields consistent with the estimated term of the post-employment benefit. However, where there is no deep market in government bonds with sufficiently long maturity to match the estimated term of the benefit payments, current market rates of appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve. Consequently, a discount rate of 11.2% per annum has been used. The corresponding index-linked yield at this term is 5.20%. These rates do not reflect any adjustment for taxation. These rates were deducted from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 30 June 2025.

These yields were obtained by calculating the duration of the obligation and then taking the fixed-interest and index-linked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the obligation).

Long Service Award liability (LSA)

The characteristics of the plan is that the LSA liability is not a funded arrangement, i.e. no separate assets have been set aside to meet this liability. The valuation considers all employees eligible for LSA.

The Municipality offers employees LSA for every five years of service completed, from five years of service to 45 years of service, inclusive. In the month that each "Completed Service" milestone is reached, the employee is granted an LSA. Working days awarded are valued at 1/250th of annual earnings per day.

The employees' basic salaries, referred to as "earnings", are used to determine the Rand value of LSA. The municipality does not pay any pro-rata LSA.

Discount Rate: GRAP 25 stipulates that the choice of this discount rate should be derived from government bond yields consistent with the estimated term of the post-employment benefit. However, where there is no deep market in government bonds with sufficiently long maturity to match the estimated term of the benefit payments, current market rates of appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve. Consequently, a discount rate of 9.5% per annum has been used. The corresponding index-linked yield at this term is 5.3%. These rates do not reflect any adjustment for taxation. These rates were deducted from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 30 June 2025.

These yields were obtained by calculating the duration of the obligation and then taking the fixed-interest and index-linked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the obligation). The duration of the obligation was estimated to be 7.25 years.

Short-term employee benefits

Bonus Provision: Staff bonuses accrued to employees according to the standard contract of employment. Provision is made for the full cost of accrued bonuses at reporting date.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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18. Employee benefit obligations (continued)

Leave Provision: Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave.

The amounts recognised in the statement of financial position as at 30 June 2025 are as follows:

Carrying value		
Opening balance of the Post-Employment Medical Aid subsidy liability	(24 784 999)	(27 811 999)
Movement in the Post-Employment Medical Aid subsidy liability	(1 382 000)	3 027 000
Opening balance of the Long Service Award liability	(6 121 000)	(5 801 000)
Movement of the Long Service Award liability	807 000	(320 000)
Short term employee benefits:		
Leave Accrual	(7 423 318)	(7 583 584)
Bonus provision	(2 101 155)	(2 312 979)
	(41 005 472)	(40 802 562)
Non-current liabilities		
Current liabilities	(30 026 000)	(28 774 000)
	(10 979 473)	(12 028 562)
	(41 005 473)	(40 802 562)

The Defined Benefit Obligation recognised in Statement of Financial Position is wholly unfunded.

The prior year amount for employee benefits has been adjusted. Refer to Note 47 for details of the restatement.

Current Portion of Employee Benefit Liabilities

Opening Balance Post-Employment Medical Aid subsidy liability	(901 000)	(1 154 000)
Opening balance Long Service Award liability	(1 231 000)	(766 000)
Opening balance Leave accrual	(7 583 585)	(7 116 753)
Opening balance Bonus provision	(2 312 978)	(2 207 631)
Movement Post-Employment Medical Aid subsidy liability	6 000	253 000
Movement Long service Award liability	671 000	(465 000)
Movement Leave accrual	160 266	(467 105)
Movement Bonus provision	211 824	(105 347)
	(10 979 473)	(12 028 827)

Represented by:

Post-Employment Medical Aid subsidy liability	(895 000)	(901 000)
Long Service Award liability	(560 000)	(1 231 000)
Leave Accrual	(7 423 319)	(7 583 585)
Bonus provision	(2 101 154)	(2 312 978)
	(10 979 473)	(12 028 563)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	(985 860)	1 721 140
Current service cost - Post-Employment Medical Aid subsidy liability	1 034 000	987 000
Current service cost - Long Service Award liability	440 000	463 000
Interest cost Post-Employment Medical Aid subsidy liability	2 990 000	3 412 000
Interest cost - Long Service Award liability	590 000	611 000
Actuarial loss / (gain) - Post-Employment Medical Aid subsidy liability	(1 741 000)	(6 272 000)
Actuarial loss / (gain) - Long Service Award liability	(606 000)	12 000
Benefits paid - Post-Employment Medical Aid subsidy liability	(901 000)	(1 154 000)
Benefits vesting - Long Service Award liability	(1 231 000)	(766 000)
	(410 860)	(985 860)

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

18. Employee benefit obligations (continued)

Net expense recognised in the statement of financial performance are as follows:

Service cost	1 474 000	1 450 000
- Current service cost - Municipal Staff	1 474 000	1 450 000
Net interest on the net defined benefit liability (asset)	3 580 000	4 023 000
Remeasurements of the net defined benefit liability (asset)	(2 347 000)	(6 260 000)
- Actuarial gains and losses arising from:		
- Changes in financial assumptions	888 000	(831 000)
- Experience adjustments	(3 235 000)	(5 429 000)
Benefits paid - Post-Employment Medical Aid subsidy liability	(901 000)	(1 154 000)
Benefits vesting - Long Service Award liability	(1 231 000)	(766 000)
Leave Accrual	160 266	467 105
Bonus Provision	211 824	105 347
	947 090	(2 134 548)

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation

(2 347 000) (6 260 000)

Post-retirement Benefit included in Employee Related Costs refer note 29 and Interest in Finance Cost refer note 34.

The prior year amounts for short term employee benefits incorrectly classified as payables from exchange transactions for leave accrual and bonus provision was reclassified to employee benefits refer to note 47.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
18. Employee benefit obligations (continued)			
Key assumptions used			
Assumptions used at the reporting date:			
Discount rate - Post-Employment Medical Aid subsidy liability		11,20 %	12,28 %
General salary inflation (long term) - Post-Employment Medical Aid Subsidy liability		6,20 %	7,26 %
CPI Inflation - Post-Employment Medical Aid Subsidy liability		5,20 %	6,26 %
Medical aid contribution inflation rate - Post-Employment Medical Aid subsidy liability		7,00 %	7,76 %
Net discount rate (medical aid contributions) - Post-Employment Medical Aid subsidy liability		3,90 %	4,19 %
Net discount rate (maximum subsidy) - Post-Employment Medical Aid subsidy liability		6,30 %	6,48 %
Discount rate - Long service awards liability		9,50 %	10,68 %
Net discount rate - Long service awards liability		4,80 %	4,51 %
CPI Inflation - Long service awards liability		3,50 %	4,91 %

Other assumptions - Long service awards :

Earnings Inflation Rate:

This assumption is required to reflect the estimated growth in earnings of the eligible employees until retirement. It is important in that the LSA are based on an employee's earnings at the date of the award.

General Earnings Inflation Rate

This assumption is more stable relative to the growth in consumer price index (CPI) than in absolute terms. In most industries, experience has shown that over the long term, earnings inflation is between 1.0% and 1.5% above CPI inflation.

The CPI inflation assumption of 3.5 % per annum was obtained from the differential between market yields on index-linked bonds (5.3%) consistent with the estimated term of the obligation and those of nominal bonds (9.5%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%).

Thus, a general earnings inflation rate of 4.5% per annum over the expected term of the obligation has been assumed, which is 1.00% higher than the estimate of CPI inflation over the same term. This assumption reflects a net discount rate of 4.8%.

It was assumed that the next general earnings increase will take place on 1 July 2026.

Other assumptions - Medical aid defined benefit obligation:

Medical Aid Contribution Inflation Rate.

This assumption is required to reflect estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs (for example, due to technological advances or changes in utilisation patterns). Any assumption regarding future medical scheme contribution increases is therefore subjective.

A medical aid contribution inflation rate of 7% per annum has been assumed. This is 1.8% in excess of expected consumer price index (CPI) inflation over the expected term of the obligation, namely 5.2% per annum. A larger differential would be unsustainable, eventually forcing members to less expensive options. This implies a net discount rate of 3.9% per annum which derives from $((1+11.2\%)/(1+7\%))-1$.

The CPI inflation assumption of 5.2% per annum was obtained from the differential between market yields on index-linked bonds consistent with the estimated term of the obligation (5.20%) and those of fixed interest bonds (11.2%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%).

The next contribution increase was assumed to occur with effect from 1 January 2026.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

18. Employee benefit obligations (continued)

Sensitivity analysis

Medical aid contribution inflation rate

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	2025	One percentage point increase	One percentage point decrease
Effect on the service cost		1 129 000	915 000
Effect on interest cost		3 210 000	2 721 000
Effect on defined benefit obligation		27 863 000	24 018 000
2024			
Effect on the service cost		1 078 000	870 000
Effect on interest cost		3 647 000	3 121 000
Effect on defined benefit obligation		26 577 000	22 591 000

Discount rate

Assumed discount rate have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed discount rate would have the following effects:

	2025	One percentage point increase	One percentage point decrease
Effect on the service cost: Post-Employment Medical Aid subsidy		877 000	1 234 000
Effect on interest cost: Post-Employment Medical Aid subsidy		2 834 000	3 164 000
Effect on the service cost: Long Service Award		417 000	465 000
Effect on interest cost: Long Service Award		612 000	564 000
Effect on Post-Employment Medical Aid subsidy obligation		22 996 000	30 072 000
Effect on Long Service Award obligation		5 056 000	5 597 000

2024

	2024	One percentage point increase	One percentage point decrease
Effect on the service cost: Post-Employment Medical Aid subsidy		834 000	1 181 000
Effect on interest cost: Post-Employment Medical Aid subsidy		3 253 000	3 590 000
Effect on the service cost: Long Service Award		440 000	489 000
Effect on interest cost: Long Service Award		631 000	588 000
Effect on Post-Employment Medical Aid subsidy obligation		21 777 000	28 484 000
Effect on Long Service Award obligation		5 841 000	6 428 000

Post-employment mortality

Assumed assumption have a significant effect on the amounts recognised in surplus or deficit. A one year change in assumed assumption would have the following effects:

	2025	One year increase	One year decrease
Effect on the service cost: Post-Employment Medical Aid subsidy		1 014 000	1 054 000
Effect on interest cost: Post-Employment Medical Aid subsidy		2 915 000	3 063 000

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

18. Employee benefit obligations (continued)

Effect on Post-Employment Medical Aid subsidy obligation

2024	One year increase	One year decrease
Effect on the service cost: Post-Employment Medical Aid subsidy	25 513 000	26 811 000
Effect on interest cost: Post-Employment Medical Aid subsidy	966 000	1 007 000
Effect on Post-Employment Medical Aid subsidy obligation	3 325 000	3 497 000
	24 178 000	25 382 000

Average retirement age

Assumed assumption have a significant effect on the amounts recognised in surplus or deficit. A one year change for post-employment medical aid subsidy and a two year change for long service awards in assumed assumption would have the following effects:

2025	One year increase * 2 years LSA	One year decrease * 2 years LSA
Effect on the service cost: Post-Employment Medical Aid subsidy	-	1 104 000
Effect on interest cost: Post Employment Medical Aid subsidy	-	3 209 000
Effect on the service cost: Long Service Award	481 000	401 000
Effect on interest cost: Long Service Award	660 000	525 000
Effect on Post-Employment Medical Aid subsidy obligation	-	28 027 000
Effect on Long Service Award obligation	5 940 000	4 697 000

2024

Effect on the service cost: Post-Employment Medical Aid subsidy
Effect on interest cost: Post Employment Medical Aid subsidy
Effect on the service cost: Long Service Award
Effect on interest cost: Long Service Award
Effect on Post-Employment Medical Aid subsidy obligation
Effect on Long Service Award obligation

One year increase * 2 years LSA	One year decrease * 2 years LSA
-	1 046 000
-	3 618 000
503 000	425 000
678 000	549 000
-	26 584 000
6 775 000	5 506 000

Membership continuation

Assumed assumption have a significant effect on the amounts recognised in surplus or deficit. A ten percentage point decrease in assumed assumption would have the following effects:

2025	Ten percentage point decrease
Effect on the service cost: Post-Employment Medical Aid subsidy	-
Effect on interest cost: Post Employment Medical Aid subsidy	-
Effect on Post-Employment Medical Aid subsidy obligation	-

2024

Effect on the service cost: Post-Employment Medical Aid subsidy
Effect on interest cost: Post Employment Medical Aid subsidy
Effect on Post-Employment Medical Aid subsidy obligation

Ten percentage point decrease
-
-
-

General earnings inflation rate

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

18. Employee benefit obligations (continued)

Assumed assumption have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed assumption would have the following effects:

2025

	One percentage point increase	One percentage point decrease
Effect on the service cost: Long Service Award	468 000	414 000
Effect on interest cost: Long Service Award	621 000	561 000
Effect on Long Service Award obligation	5 584 000	5 064 000

2024

	One percentage point increase	One percentage point decrease
Effect on the service cost: Long Service Award	492 000	437 000
Effect on interest cost: Long Service Award	644 000	580 000
Effect on Long Service Award obligation	6 413 000	5 850 000

Expected contributions

The expected contributions to the plan for the next reporting period is R 1 455 000. (2024: R2 132 000)

Maturity analysis of the defined benefit obligations

The following table presents information about the distribution of the timing of the undiscounted expected benefit payments:

It is important to note that this table does not show the total benefits payments that the Municipality will need to pay in each future year, but just the expected payments or benefits vesting in respect of the current eligible employees i.e. no allowance has been made for future new eligible employees.

The detail maturity analysis was done for the current year but not for the prior year as such information was not available.

	Post- Employment Medical Aid Subsidy	Payable in Long Service Award	Total
Within 1 year	945 000	608 000	1 553 000
Between 1 - 2 years	1 141 000	587 000	1 728 000
Between 2 - 3 years	1 299 000	1 125 000	2 424 000
Between 3 - 4 years	1 502 000	960 000	2 462 000
Between 4 - 5 years	1 650 000	1 463 000	3 113 000
6 to 10 years	12 700 000	4 562 000	17 262 000
11 to 15 years	24 039 000	3 485 000	27 524 000
16 to 20 years	35 736 000	2 728 000	38 464 000
21 to 25 years	50 199 000	-	50 199 000
26 to 30 years	-	2 190 000	2 190 000
31 to 35 years	60 986 000	-	60 986 000
36 to 40 years	138 311 000	197 000	138 508 000
41 to 45 years	120 277 000	-	120 277 000
46 to 50 years	63 224 000	-	63 224 000
51 to 55 years	18 363 000	-	18 363 000
56 to 60 years	2 528 000	-	2 528 000
61 to 70 years	-	-	-
71 to 80 years	-	-	-
	532 900 000	17 905 000	550 805 000

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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18. Employee benefit obligations (continued)

19. Provisions

Reconciliation of provisions - 2025

Environmental rehabilitation	Opening Balance	Change in discount factor	Total
	72 737 480	20 058 217	92 795 697

Reconciliation of provisions - 2024

Environmental rehabilitation	Opening Balance	Change in discount factor	Total
	65 988 778	6 748 702	72 737 480

General Landfill Closure Costing Model was used in the current year. General Landfill Closure Costing Model provides a reliable best possible estimate of closure costs in terms of paragraph .49 of GRAP 19. General Landfill Closure Costing Model uses unit costs of elements and Consumer price index.

The current expected remaining life of the landfill sites for Volksrust, Perdekop and Wakkerstroom is not one year less than last year because of enhanced management practices.

Environmental rehabilitation provision

The provision for rehabilitation of landfill sites relates to the legal obligation to rehabilitate landfill sites used for waste disposal. The discount rate was deduced from inflation linked RSA retail bond rate. The CPI rate as at 30 June 2025 was 2.8878 % (2024: 5.244%). The CPI figure used is based on the three-month average CPI for the quarter that includes the financial year-end date.

The environmental rehabilitation provision relates to four landfill sites namely: Volksrust, Amersfoort, Wakkerstroom and Perdekop. For the Amersfoort and Volksrust sites, the number of years until closure is 7 and 3 years respectively, whilst the Wakkerstroom and Perdekop site has nil remaining years.

20. Payables from exchange transactions

Department of Water and Sanitation - Bulk water

During the 2023 financial year the municipality reached an agreement with the Department of Water and Sanitation. In terms of the agreement the municipality would pay the long outstanding balance over 60 months as well as paying all current amounts. If the municipality adheres to these conditions, the department will write off the interest. The amount due to the department has been split between current and long-term portions of the debt.

Long-term portion

63 385 264	72 076 860
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21. Service charges

Sale of electricity conventional	39 892 646	32 163 419
Sale of electricity prepaid	42 492 893	36 637 335
Sale of water	36 717 342	34 220 484
Solid waste	12 911 891	12 365 164
Sewerage and sanitation charges	41 658 232	21 001 259
	173 673 004	136 387 661

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	2025	2024
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22. Rental income

Premises

Premises	1 618 819	1 730 256
Venue hire	53 490	176 056

	1 672 309	1 906 312
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23. Agency fees

Road and Transport

	5 074 123	6 639 265
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Refer to note 51 on Principal-Agent arrangements.

24. Operational revenue

Breakages and losses recovered

Library Fees	1 743	3 560
Building plan approvals	8 871	6 735
Clearance certificates	261 947	114 330
Insurance claims	52 165	23 440
Cemetery and Burial	552 473	105 123
Merchandising, jobbing and contracts	119 308	121 697
Publications tender documents	116 440	57 041
Occupation Certificates	10 283	8 772
	-	39 992
	1 123 230	480 690

25. Interest income

Interest revenue

Unit trusts	187 750	64 253
Bank	3 993 239	2 207 632
	40 516 515	40 268 020

Interest charged on receivables from exchange transactions

	44 697 504	42 539 905
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Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

26. Property rates

Rates received

Residential	24 983 114	19 195 882
Commercial	7 246 254	6 283 883
State	8 006 858	4 685 655
Small holdings and farms	12 701 464	8 602 965
Mining properties	408 580	120 870
	53 346 270	38 889 255

Valuations

Agricultural	5 327 041 600	5 327 041 600
Business	483 599 700	411 119 700
Industrial	17 325 100	17 325 100
Mining	5 322 000	5 322 000
Municipal	92 836 900	92 716 900
Multiple use property	630 689 830	630 689 830
Public benefit organisation	73 930 300	73 930 300
Public service infrastructure	103 982 350	103 982 350
Public service purposes	329 485 400	329 485 400
Residential	2 431 178 100	2 429 538 100
Undeveloped land	227 838 000	228 658 000
Worship	78 625 500	78 625 500
	9 801 854 780	9 728 434 780

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2019. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions.

The municipality received an extension on the valuation roll from the MEC Cogta until 30 June 2026.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
27. Government grants and subsidies		
Operating grants		
Equitable share	167 330 000	157 696 000
Financial management grant	2 400 000	2 450 000
Disaster response grant	700 000	-
Capacity building support grant	2 569 444	596 139
Skills Development Grant	464 099	350 819
Expanded public works programme integrated grant	1 931 000	3 209 000
	175 394 543	164 301 958
Capital grants		
Municipal infrastructure grant	34 440 087	28 525 913
Water services infrastructure grant	48 064 150	15 000 000
Integrated national electrification programme grant	9 368 394	-
	91 872 631	43 525 913
	267 267 174	207 827 871
Unspent conditional grants and receipts		
The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited. Unfulfilled conditions and other contingencies attached to government assistance that has been recognised. These amounts are invested in a ring-fenced investment until utilised.		
National Treasury advised the Municipality that a total of R Nil would be withheld from their equitable share (2024: R15 600 000). This amount was made up of the following:		
Municipal infrastructure grant – R Nil (2024: R1 181 003)		
Water services infrastructure grant – R Nil (2024: R14 418 897)		
Equitable share		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.		
Municipal infrastructure grant		
Balance unspent at beginning of year	309 087	1 181 003
Current-year receipts	34 131 000	28 835 000
Conditions met - transferred to revenue	(34 440 087)	(28 835 000)
Repaid to National Treasury	-	(1 181 003)
Roll over application	-	309 087
	-	309 087
Municipal Infrastructure Grant (MIG) was allocated for the construction of roads, basic sewerage and water infrastructure as part of upgrading of poor households, micro enterprises, social institutions and to provide for the rehabilitation and upgrading of municipal infrastructure.		
Financial management grant		
Current-year receipts	2 400 000	2 450 000
Conditions met - transferred to revenue	(2 400 000)	(2 450 000)
	-	-

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
27. Government grants and subsidies (continued)		
The financial management grant is paid by National Treasury to municipalities to help implement the financial management reforms required by the Municipal Finance Management Act (MFMA), 2003.		
Skills development grant		
Current-year receipts	464 100	350 819
Conditions met - transferred to revenue	(464 100)	(350 819)
	-	-
The skills development grant has been allocated to the municipality to further develop specific skillset of staff members within the municipality.		
Integrated national electrification programme		
Current-year receipts	15 436 000	-
Conditions met - transferred to revenue	(9 368 394)	-
	6 067 606	-
Conditions still to be met - remain liabilities (see note 16).		
The Integrated National Electrification Programme grant has been provided to the municipality for purpose of providing new households with access to electricity.		
Water services infrastructure grant		
Balance unspent at beginning of year	(659 205)	13 759 792
Current-year receipts	53 606 000	15 000 000
Conditions met - transferred to revenue	(48 064 150)	(15 000 000)
Other	-	(14 418 997)
	4 882 645	(659 205)
Conditions still to be met - remain liabilities (see note 16).		
Water services infrastructure grant has been provided to the municipality to assist the municipality with water and sanitation projects to accelerate backlog reduction and enhance the sustainability of services sanitation backlogs.		
Expanded public works programme integrated grant		
Current-year receipts	1 931 000	3 209 000
Conditions met - transferred to revenue	(1 931 000)	(3 209 000)
	-	-
The expanded public works programme integrated was allocated to the municipality for environmental projects.		
Capacity building support grant		
Balance unspent at beginning of year	2 903 861	-
Current-year receipts	-	3 500 000
Conditions met - transferred to revenue	(2 569 444)	(596 139)
	334 417	2 903 861
Conditions still to be met - remain liabilities (see note 16).		
The capacity building grant was allocated by the provincial government to the municipality by provincial government to assist with enhancing the skills and capabilities of the municipality.		

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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27. Government grants and subsidies (continued)

Disaster Recovery grant

Balance unspent at beginning of year
Current-year receipts
Conditions met - transferred to revenue

	700 000	-
	-	700 000
	(700 000)	-
		700 000

The provincial disaster response grant is allocated by the provincial government to the municipality for support recovery and repair efforts following significant disasters.

28. Fines, Penalties and Forfeits

Illegal connections fines
Law enforcement fines
Overdue books fines

	180 451	578 860
	490 759	356 851
	19 110	7 607
	690 320	943 318

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	2025	2024
29. Employee related costs		
Basic	60 763 136	62 304 783
Bonus	4 587 671	4 781 776
Medical aid - company contributions	7 469 781	7 426 363
UIF	482 635	503 189
Scarcity allowance	48 164	48 164
Actuarial (gains) / losses	(2 347 000)	(6 260 000)
Bargaining council	33 029	33 151
Pension fund and group life	12 671 895	12 760 878
Overtime payments	5 991 540	7 336 743
Car allowance	2 399 334	2 375 881
Housing benefits and allowances	373 328	339 119
Leave gratuity	1 894 453	1 538 572
Standby and acting allowance	4 869 357	4 516 288
Non-Pensionable	216 000	-
Cellular and telephone allowances	153 000	155 714
Post-retirement benefits	(658 000)	(470 000)
Section 56 Employees	5 264 632	5 436 516
	104 212 955	102 827 137

Municipal Manager - MA Ngcobo

Annual Remuneration	795 632	718 221
Car Allowance	200 000	200 000
Non pensionable	52 868	51 066
Telephone	18 000	18 000
Housing	200 000	200 000
Pension	130 967	124 562
Medical	63 131	60 084
Bargaining	143	137
UIF	2 125	2 125
	1 462 866	1 374 195

Chief Financial Officer

Annual Remuneration	672 511	612 635
Car Allowance	180 000	180 000
Non pensionable	38 535	37 222
Contributions to UIF, Medical and Pension Funds	168 107	159 299
Bargaining	143	137
Telephone	18 000	18 000
Acting Allowance	-	1 766
	1 077 296	1 009 059

Director: Technical Services - ST Phakathi 01 July 2023 - 31 August 2024

Annual Remuneration	170 087	726 811
Traveling	20 000	120 000
Non pensionable	6 337	37 222
Telephone	3 000	18 000
Leave sold	185 464	-
Pension	20 697	121 216
Medical	2 744	15 919
Bargaining	24	137
UIF	531	2 125
	408 884	1 041 430

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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29. Employee related costs (continued)

Director: Community Services - MG Nyembe

Annual Remuneration	1 116 945	1 080 623
Acting allowance	1 372	232
Non pensionable	44 041	42 540
Telephone	18 000	18 000
Medical	44 143	40 982
Bargaining	143	137
UIF	2 125	2 125
	1 226 769	1 184 639

Director: Corporate services - FI Mofokeng September 2023 to Current

Annual Remuneration	679 451	505 054
Car Allowance	120 000	100 000
Non pensionable	38 535	31 170
Telephone	18 000	15 000
Medical	83 687	73 188
Pension	113 955	90 909
Provident	12 662	10 101
UIF	2 125	1 771
	1 068 415	827 193

Post-retirement Benefits

Service Cost	1 034 000	987 000
Current Service Cost: Medical Aid - Municipal Staff	440 000	463 000
Current Service Cost: Long service awards - Municipal Staff		
Remeasurement:		
Actuarial (Gains) and Losses:Medical Aid - Municipal Staff	(1 741 000)	(6 272 000)
Actuarial (Gains) and Losses:Long Service Awards - Municipal Staff	(606 000)	12 000
Benefits paid:Medical Aid - Municipal Staff	(901 000)	(1 154 000)
Benefits vesting:Long Service Awards - Municipal Staff	(1 231 000)	(766 000)
Defined Contribution Fund Expenses		
Senior Management	637 968	694 136
Municipal Staff	20 011 551	20 185 490
	17 644 519	14 149 626

The remuneration of staff is within the upper limits of the SALGA bargaining council determinations.

Acting Director Technical services - ZO Lugongolo-Goso 03 June 2025 to current

Acting	16 602	-
Non Pensionable	3 680	-
UIF	120	-
	20 402	-

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
30. Remuneration of councillors		
Executive Mayor	1 046 305	1 007 282
Chief Whip	796 480	768 763
Mayoral committee members	2 389 443	2 306 290
Speaker	846 446	816 467
Councillors	5 717 167	5 583 609
	10 795 841	10 482 411

In-kind benefits

The Executive Mayor, Chief Whip, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Executive Mayor have the use of separate Council owned vehicles for official duties.

Additional information

Members of municipal council should be remunerated within the upper limits as determined by the Department of Cooperative Governance and Traditional Affairs. Any deviations are disclosed as irregular expenditure.

31. Inventory Consumed

Consumables, materials and supplies
Water consumed
Water losses

3 368 885	4 708 146
14 497 289	14 092 728
6 712 973	5 691 465
24 579 147	24 492 339

Refer to Notes 3 and 36 for detail on water inventory and water losses.

32. Depreciation and amortisation

Property, plant and equipment
Investment property

59 674 280	63 653 734
21 267	21 326
59 695 547	63 675 060

33. Impairment loss

Impairments
Property, plant and equipment

16 223 181	13 262 964
------------	------------

Reversal of impairments

Property, plant and equipment

(336 451)	-
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Total impairment losses (recognised) reversed

15 886 730	13 262 964
-------------------	-------------------

34. Finance costs

Trade and other payables
Finance leases
Unwinding of discount
GRAP 25 Interest on medical aid and long service awards

600 687	71 717
56 931	30 334
7 640 646	7 316 327
3 580 000	4 023 000
11 878 264	11 441 378

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

35. Debt impairment

Receivables from exchange transactions
Receivables from non-exchange transactions
Bad debts written off

	94 278 258	9 671 768
	27 603 124	18 313 696
	4 170 784	7 973 875
	126 052 166	35 959 339

The prior year amount for debt impairment has been adjusted. Refer to Note 47 for details of the restatement

36. Bulk purchases

Electricity - Eskom

	98 888 006	87 156 277
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Bulk purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to the consumers. Electricity is purchased in bulk on a monthly basis from Eskom.

Electricity losses

	Units 2025	Units 2024	R '000s 2025	R '000s 2024
Units purchased (KW)	46 050 971	45 634 710	98 888 050	87 156 277
Units sold (KW)	(37 141 950)	(27 323 394)	(83 744 111)	(70 095 246)
Total loss	8 909 021	18 311 316	15 143 939	17 061 031

Comprising of:

Distribution losses	8 909 021	18 311 316	15 143 939	15 805 948
Percentage Loss: Distribution losses	19 %	40 %	15 %	20 %

Water losses

	Units 2025	Units 2024	R '000s 2025	R '000s 2024
Unnits purified (KL)	5 474 222	4 016 216	21 287 803	19 897 510
Units sold (KL)	(3 728 017)	(2 858 303)	(14 497 289)	(14 160 862)
Water inventory	(19 940)	(9 120)	(77 541)	(45 183)
Total loss	1 726 265	1 148 793	6 712 973	5 691 465

Percentage Loss:
Distribution losses

	32 %	29 %	32 %	29 %
--	------	------	------	------

Management has embarked on water meter reading exercise to ensure that all water meters are read regularly in an effort to reduce line losses. Refer note 3.

Losses for electricity and water are determined by calculating the difference between units purchased and units sold.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
37. Contracted services		
Outsourced Services		
Business and advisory	3 464 191	2 948 512
Professional staff	20 280 186	13 771 504
Refuse removal	1 842 757	3 047 272
Security services	7 864 011	7 555 696
Maintenance of equipment	10 160	13 247
Consultants and Professional Services		
Laboratory services	7 153 028	6 236 272
Legal cost	2 366 333	4 897 925
Contractors		
Burial services	16 000	-
Event promoters	27 918	61 095
Maintenance of buildings and facilities	5 454 362	10 913 463
Maintenance of unspecified assets	5 424 898	4 691 861
Maintenance of Equipment	5 352	-
	53 909 196	54 136 847

The prior year amount for contracted services has been adjusted. Refer to Note 47 for details of the restatement.

38. General Expenses		
Advertising	277 007	276 487
Auditors remuneration	9 451 251	8 362 982
Bank charges	1 162 820	657 611
Commission paid	216 302	311 339
Entertainment	36 544	60 727
Insurance	3 128 476	2 964 559
External computer services	2 004 401	4 609 310
Fuel	9 727 570	10 196 916
Printing and stationery	440 995	692 100
Registration fees	451 723	1 139 790
Skills Development fund levy	952 415	934 017
Subscriptions and membership fees	1 130 915	1 441 062
Communication	763 085	848 941
Transport and freight	42 800	70 890
Workmen's compensation fund	653 140	677 533
Travel - local	1 076 142	1 201 999
Title deed search fees	231 162	349 565
Electricity	18 230 129	15 562 620
Protective clothing	1 860 793	1 632 625
Bursaries (employees)	608 288	713 595
Landfill site provision expense	12 417 571	(567 625)
Remuneration of ward committees	1 148 000	1 176 000
Indigent relief	8 184 183	6 071 460
	74 195 712	59 384 503

The prior year amount for general expenses has been adjusted. Refer to Note 47 for details of the restatement.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

	2025	2024
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39. Cash generated from operations

Deficit

	(15 921 747)	(19 534 920)
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Adjustments for:

Depreciation and amortisation

	59 695 547	63 675 060
--	------------	------------

Impairment for non-current assets

	15 886 730	13 262 964
--	------------	------------

Fair value adjustment on investment

	(187 750)	(64 253)
--	-----------	----------

Debtors impairment

	126 052 166	35 959 399
--	-------------	------------

Loss (gain) on disposal of assets

	5 207 522	17 481 213
--	-----------	------------

Movements in retirement benefit liabilities

	(1 030 090)	(470 000)
--	-------------	-----------

Actuarial (gain) / losses

	(2 347 000)	(6 260 000)
--	-------------	-------------

Provision on rehabilitation on landfill site

	12 417 571	(567 625)
--	------------	-----------

Finance costs

	11 220 646	11 339 327
--	------------	------------

Interest on consumers

	(62 220 169)	(65 013 523)
--	--------------	--------------

Changes in working capital:

Inventories

	(481 299)	(65 333)
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Other receivables from exchange transactions

	261 318	6 510 497
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Receivables from exchange transactions

	(72 206 688)	(55 157 623)
--	--------------	--------------

Receivables from non-exchange transactions

	(8 183 806)	32 117
--	-------------	--------

Consumer deposits

	19 903	22 346
--	--------	--------

Payables from exchange transactions

	20 823 595	16 138 645
--	------------	------------

VAT

	5 779 264	5 918 169
--	-----------	-----------

Unspent conditional grants and receipts

	8 030 925	(11 687 053)
--	-----------	--------------

	102 816 638	11 519 407
--	--------------------	-------------------

40. Commitments

Authorised capital expenditure

Already contracted for but not provided for

- Property, plant and equipment

	106 108 486	77 203 612
--	-------------	------------

Total capital commitments

Already contracted for but not provided for

	106 108 486	77 203 612
--	-------------	------------

Total commitments

Total commitments

Authorised capital expenditure

	106 108 486	77 203 612
--	-------------	------------

This committed expenditure relates to plant and equipment and will be financed by, retained surpluses, existing cash resources, funds internally generated, and grants.

The prior year amount for commitments has been adjusted. Refer to Note 47 for details of the restatement.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

41. Contingencies

Contingent Liabilities relating to 2024/2025:

Note that for items with zero amounts, the financial impact cannot be determined at reporting date.

CLAIMANT	DESCRIPTION	RESPONSIBLE LAW FIRM	FILE NUMBER	AMOUNT CLAIMED
BERRY ROBERTS AND THE MUNICIPALITY	ALLEGES AN ACCIDENT HAPPENING WITH THE JURISDICTION OF THE MUNICIPALITY	None	235/10	56 200
GABRIEL MICHAEL DU TOIT AND THE MUNICIPALITY	ALLEGES THAT THE MUNICIPAL EMPLOYEE NEGLIGENTLY CAUSED AN ACCIDENT.	MJALI AND ZIMEMA ATTORNEYS	336/13	29 190
ALIDA MAGDALENA DE BEER AND THE MUNICIPALITY	ALLEGES THAT THE MUNICIPAL EMPLOYEE NEGLIGENTLY CAUSED AN ACCIDENT.	None	65/18	33 559
NICOLAS SOLIDATOS AND THE MUNICIPALITY	ALLEGES AN ACCIDENT HAPPENING WITH THE JURISDICTION OF THE MUNICIPALITY	None	None	10 099 995
EMALANGENI TECHNOLOGIES	BREACH OF CONTRACT	MOHLALA ATTORNEYS	1954/19	16 547 408
MOSTERT AND THE MUNICIPALITY	ALLEGES THAT THE OPEN MANHOLE IS THE CAUSE OF HER INJURIES.	MJALI AND ZIMEMA ATTORNEYS	165/15	75 000
AFIKA POWER	ALLEGES NON- PAYMENT FOR SERVICE PROVIDED	None	113/219	92 288
MINING AND ENVIRONMENTAL JUSTICE COMMUNITY NETWORK OF SOUTH AFRICA AND OTHERS	APPEAL AGAINST THE DECISION OF THE MUNICIPAL APPEAL TRIBUNAL	MOHLALA ATTORNEYS	1344/20	-
PRINCESS MASEKO	REVIEWAL OF THE DECISION OF THE ATTORNEYS ARBITRATION	MOHLALA ATTORNEYS	409/19	-
RAND WATER	CLAIMING NON- PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS	2818/2020	1 982 737
HENSAL CIVIL CONSTRUCTION	CLAIMING NON- PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS	3046/21	3 000 388

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
41. Contingencies (continued)			
THOKOZANI MAZIBUKO	APPLICATION FOR MOHLALA REVIEW ATTORNEYS		1 557 587
NTINGA ENGINEERS INVESTMENT	CLAIMING NON- PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 2739/2022	
AFRICANDO CIVILS	CLAIMING NON- PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 4408/2021	39 298 466
PIPE IN CONSTRUCTION GUTYANA JOINT VENTURE	CLAIMING NON- PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 2027/2023	783 075
			<u>73 555 894</u>

Management performed an reasonable estimates for all contingent liabilities confirming the amounts disclosed. The outcome of the litigation is subject to judicial processes and is therefore uncertain. The Municipality is unable to determine the exact timing of the settlement or the final amount that may become payable.

Contingent Liabilities relating to 2023/2024

CLAIMANT	DESCRIPTION	RESPONSIBLE LAW FIRM	FILE NUMBER	AMOUNT CLAIMED
BERRY ROBERTS AND THE MUNICIPALITY	ALLEGES AN ACCIDENT HAPPENING WITH THE JURISDICTION OF THE MUNICIPALITY	NONE	235/10	56 200
GABRIEL MICHAEL DU TOIT AND THE MUNICIPALITY	ALLEGES THAT THE MUNICIPAL EMPLOYEE NEGLIGENTLY CAUSED A	MJALI AND ZIMEMA ATTORNEYS	336/13	29 190
ALIDA MAGDALENA DE BEER AND THE MUNICIPALITY	ALLEGES THAT THE MUNICIPAL EMPLOYEE NEGLIGENTLY CAUSED AN ACCIDENT	NONE	65/18	32 559
NICOLAS SOLIDATOS AND THE MUNICIPALITY	ALLEGES AN ACCIDENT HAPPENING WITH THE JURISDICTION OF THE	NONE	NONE	10 099 995
MOSTERT AND THE MUNICIPALITY	MUNICIPALITY ALLEGES THAT THE OPEN MANHOLE IS THE CAUSE OF HER INJURIES	MJALI AND ZIMEMA ATTORNEYS	165/15	75 000
EMALANGENI TECHNOLOGIES	BREACH OF CONTRACT	MOHLALA ATTORNEYS	1954/19	16 547 408

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand		2025	2024
41. Contingencies (continued)			
AFIKA POWER	ALLEGES NON-PAYMENT FOR SERVICE PROVIDED	113/219	92 288
MINING AND ENVIRONMENTAL JUSTICE COMMUNITY NETWORK OF SOUTH AFRICA AND OTHERS	APPEAL AGAINST MOHLALA THE DECISION OF ATTORNEYS THE MUNICIPAL APPEAL TRIBUNAL	1344/20	-
PRINCESS MASEKO	REVIEWAL OF THE MOHLALA DECISION OF THE ATTORNEYS ARBITRATION	409/19	-
RAND WATER	CLAIMING NON-PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS	1 982 737
HENSAL CIVIL CONSTRUCTION	CLAIMING NON-PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 3046/21	3 000 388
THOKOZANI MAZIBUKO	APPLICATION FOR MOHLALA ATTORNEYS REVIEW	1	-
PIPE IN CONSTRUCTION GUTYANA JOINT VENTURE	CLAIMING NON-PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 2027/2023	783 075
NTINGA	CLAIMING NON-PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 2739/22	1 557 587
AFRICANDO CIVILS	CLAIMING NON-PAYMENT FOR THE SERVICE PROVIDED	MJALI ATTORNEYS 4408/2021	39 298 466
Contingent assets			73 554 893

The outcome of the litigation is subject to judicial processes and is therefore uncertain. The Municipality is unable to determine the exact timing of the settlement or the final amount that may become payable.

DEFENDANT	DESCRIPTION	RESPONSIBLE LAW FIRM	FILE NUMBER	AMOUNT CLAIMED
KAIZER NZUZA	TMN KGOMO ATTORNEY	TMN KGOMO	4085/18	-
HUMAN BROTHERS AND THE MUNICIPALITY	NON-PAYMENT OF COETZEE MUNICIPAL SERVICES	904/2002 SPOELSTRA AND VAN ZYL INC		73 072
	-	-	-	73 072

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

42. Related parties

Relationships
Accounting Officer
Members of key management

Refer to accounting officers' report note 5
Mr. MA Ngcobo- Municipal Manager
Mr. MG Nyembe – Director Community Services
Mr. S. Phakathi – Director Infrastructure Services
Ms. NL Khuzwayo- Chief Financial Officer
ZO Lungongolo – Acting Director Technical Services
(From 01 June 2025)
Mr. FI Mofokeng – Director Corporate Services (From
01 September 2023)
Refer to note 29
Refer to General Information on page 1

Remuneration of management
Councillors and Mayoral committee members

Remuneration of management

Management class: Councillors

2025

Name	Allowance	Non- pensionable allowances	Pension	Medical Aid	Total
BJ Mhlanga (Mayor)	875 568	47 004	123 733	-	1 046 305
BG Mavuso (Speaker)	653 848	47 004	91 990	53 604	846 446
BTA Zulu (Chief Whip)	656 675	47 004	92 801	-	796 480
TV Hlakutse (MMC)	656 678	47 004	92 801	-	796 483
TH Thwala (MMC)	656 675	47 004	92 801	-	796 480
NW Msibi (MMC)	656 675	47 004	92 801	-	796 480
Councillors	4 336 093	898 872	482 202	-	5 717 167
	8 492 212	1 180 896	1 069 129	53 604	10 795 841

2024

Name	Allowance	Non- pensionable allowances	Pension	Medical Aid	Total
BJ Mhlanga (Mayor)	835 125	53 208	118 948	-	1 007 281
BG Mavuso (Speaker)	625 524	53 208	88 767	48 968	816 467
BTA Zulu (Chief Whip)	626 344	53 208	89 211	-	768 763
TV Hlakutse (MMC)	626 346	53 208	89 211	-	768 765
TH Thwala (MMC)	626 343	53 208	89 211	-	768 762
NW Msibi (MMC)	626 343	53 208	89 211	-	768 762
Councillors	4 359 580	798 120	425 910	-	5 583 610
	8 325 605	1 117 368	990 469	48 968	10 482 410

Refer to note 30 Remuneration of councillors

Management class: Executive management

Refer to note 29 Employee related costs

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
43. Irregular expenditure		
Opening balance as previously reported	75 356 237	62 056 506
Add: Irregular expenditure - current	2 398 773	7 862 264
Add: Irregular expenditure - prior period	910 693	6 952 515
Less: Amount written off - current	(25 331 114)	(1 515 048)
Closing balance	53 334 589	75 356 237

Notes to the Annual Financial Statements

Figures in Rand

43. Irregular expenditure (continued)

Incidents/cases identified/reported in the current year include those listed below:

Inadequate SCM process followed - 5 cases
(2024: 11 cases)

Cases under investigation

Investigations are in progress regarding cases for 30 June 2025 for R3 309 465 and for (2024: R14 814 779) which related to non-compliance with procurement process requirements.

Amount written-off

After investigations, council took a resolution to write-off an amount of R25 331 114 from the total irregular expenditure amount as the amount was not recoverable.

44. Fruitless and wasteful expenditure

Opening balance as previously reported
Add: Fruitless and wasteful expenditure identified - current
Less: Amount written off - prior period

Closing balance

Fruitless and wasteful expenditure is presented inclusive of VAT

2 512 937	2 104 911
788 029	408 026
(2 022 060)	-
1 278 906	2 512 937

Figures in Rand

44. Fruitless and wasteful expenditure (continued)

Details of fruitless and wasteful expenditure

Interest charged on overdue accounts - 42 cases	669 187	72 138
Indigent customers houses market value exceeding RDP value	-	335 888
Indigent customers -deceased 55 cases	113 402	-
Indigent customers - spouses in service of the state 2 cases	5 440	-
	788 029	408 026

Cases not yet investigated: Investigations are still pending regarding above cases for R 408 026 for 30 June 2024 and (2024: R408 026)

Cases under investigation R 788 029 (2024: R Nil)

Cases to be written off R2 022 060 (2024: R Nil)

45. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Date	Name of Company	Amount	Reason for Deviation	Items/services	Department
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Quarter 3	Government Printing	1 008,80	Sole supplier	Advert for the publication of the draft Valuation Roll to Government printing	Finance
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Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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46. Risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the municipality's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position as at 30 June 2025 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	At 30 June 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions		135 847 403	-	63 385 264	-
Consumer deposits		-	-	-	1 721 028
At Year ended 30 June 2024					
Payables from exchange transactions		106 332 215	-	72 076 860	-
Consumer deposits		-	-	-	1 701 123

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the municipality.

Financial assets exposed to credit risk at year end were as follows:

	2025	2024
Financial instrument		
Receivables from exchange transactions	74 490 278	59 794 930
Other receivables from exchange transactions	1 757 113	2 018 431
First National Bank	30 665 947	8 952 053
Old Mutual	1 162 379	974 629

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates. Loans are taken at fixed interest rates to minimise interest rate risk.

47. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025 2024

47. Prior-year adjustments (continued)

2023

	Ref	As previously reported	Correction of error	Re-classification	Restated
Receivables from non-exchange transactions	C F	22 569 628	(11 630 254)	-	10 939 374
Receivables from exchange transactions	F	49 035 104	(49 034 796)	-	308
Property, plant and equipment	E	1 092 840 905	36 190 614	2 485 291	1 131 516 810
Investment property	E	100 645 147	(43 436 165)	(2 485 291)	54 723 691
Payables from exchange transactions	A	102 332 620	(11 337 781)	-	90 994 839
VAT Payable	B C D	24 087 019	(6 747 579)	-	17 339 440
Accumulated surplus	A	990 580 722	(49 825 241)	-	940 755 481
			-	-	-

2024

	Ref	As previously reported	Correction of error	Re-classification	Restated
Receivables from non-exchange transactions	A D	33 333 056	(5 314 801)	-	28 018 255
Receivables from exchange transactions	D F	69 283 611	(1 761 366)	-	67 522 245
Payables from exchange transactions	A C G	126 942 807	(10 714 024)	(9 896 563)	106 332 220
Property, plant and equipment	E	1 035 553 307	33 774 997	2 485 291	1 071 813 595
Investment property	E	100 405 733	(43 436 165)	(2 485 291)	54 484 277
Other receivables from exchange transactions	E	1 910 922	107 508	-	2 018 430
VAT Payable	B C D	28 146 979	(7 114 242)	-	21 032 737
Employee benefits	1	30 906 000	-	-	40 802 563
Cash and cash equivalents	B	8 204 857	747 196	9 896 563	8 952 053
Accumulated surplus	A B C D	919 274 910	1 524 451	-	920 799 361
		-	-	-	-

Statement of financial performance

2024

	Ref	As previously reported	Correction of error	Restated
Service charges	F G	139 309 454	(2 994 710)	136 314 744
Property rates	D F	52 550 679	(13 661 424)	38 889 255
Interest income	F	45 406 984	(2 867 079)	42 539 905
Interest income - Property rates	F	26 379 479	(1 633 975)	24 745 504
Debt impairment	D F	(110 522 601)	74 563 200	(35 959 401)
Contracted services	C	(54 136 850)	3	(54 136 847)
General expenditure	B C	(60 164 982)	780 479	(59 384 503)
Loss on disposal of assets and liabilities	E	(15 065 597)	(2 415 616)	(17 481 213)
Surplus (Deficit) for the year		(71 305 805)	51 770 878	(19 534 928)

Cash flow statement

2024

	Ref	As previously reported	Restated
Net cash flow from operating activities		10 772 202	11 519 399

Errors

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
47. Prior-year adjustments (continued)		
The following prior period errors adjustments occurred:		
A) Correction Property Rates		
Reversal of the incorrect adjustment of billing for property rates for agricultural properties Rural Development previously adjusted for the 2022 and 2021 years effecting advance payments, receivables and surplus.		
Statement of financial position opening balance		
Receivables from non-exchange transactions	-	(17 895)
Payables from exchange transactions	-	11 347 704
Accumulated surplus	-	(11 315 640)
Other receivables from exchange transactions	-	(14 169)
	-	-
B) Correction Cash and cash equivalents		
Correction of an amount for payment made to First Auto incorrectly captured in the cashbook during 2024 effecting operational expenses and VAT.		
Statement of financial position		
Cash and cash equivalents	-	747 196
VAT Payable	-	(1 030)
	-	746 166
Statement of financial performance		
Operational cost	-	(746 166)
C) Corrections Trade Payables		
Reversal of credit notes incorrectly processed in previous financial years.		
Statement of financial position		
Payables from exchange transactions	-	43 241
VAT Payable	-	(4 777)
Accumulated surplus	-	(4 148)
	-	34 316
Statement of financial performance		
Contracted services	-	(3)
Operational cost	-	(34 313)
	-	(34 316)

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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47. Prior-year adjustments (continued)

D) Correction bad debt written off prior year

Bad debt relating to the prior incorrectly written of in current year was corrected.

Statement of financial position

Receivables from non-exchange transactions
Receivables from exchange transactions
VAT Payable

-	(35 516)
-	(73 877)
-	18 669
-	(90 724)

Statement of financial performance

Debt impairment

-	90 724
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E) Non-Current Assets

Statement of financial position

Property, plant and equipment
Investment property
Accumulated surplus

-	33 774 998
-	(43 436 165)
-	7 245 552
-	(2 415 615)

Statement of financial performance

Loss on disposal of assets and liabilities

-	2 415 616
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The municipality conduct a yearly verification process to verify the existence and conditions of all its fixed assets. Land not previously listed on the asset register were identified and corrected. The adjustment also included reclassifications from Investment properties to property plant and equipment.

On inspection of the investment property certain properties were identified with incorrect classifications. These properties were land used by the Council for service delivery and therefore the classification was changed to land.

During the same process investment properties were identified with the cost of the property to be more than the actual value on the valuation roll. For these properties an impairment was calculated to ensure the carry value is in line with the Valuation Roll.

Properties were also identified that the Council lost control of the property due to land invasion or disposal of property not disclose in the past.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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47. Prior-year adjustments (continued)

F) Receivables from exchange and non-exchange transactions

Statement of financial position

Receivables from exchange transactions - gross balances	-	(54 695 045)
Receivables from exchange transactions - provision for impairment	-	53 007 555
Receivables from non-exchange transactions - gross balances	-	(26 907 757)
Receivables from non-exchange transactions - provision for impairment	-	21 646 369
Other receivables from exchange transactions	-	121 678
Payables from exchange transactions	-	(121 678)
VAT Payable	-	7 101 381
Accumulated surplus	-	53 899 476
	-	54 051 979

Statement of financial performance

Service charges	-	2 439 467
Property rates	-	13 661 424
Interest income	-	2 867 079
Interest income - Property rates	-	1 633 975
Debt impairment	-	(74 653 924)
	-	(54 051 979)

During the financial year under review the municipality identified receipts for agency fees received in the current year that pertained to prior year transactions not accrued for. Furthermore the municipally identified that municipal owned properties were incorrectly levied for property rates and municipal services. This was corrected and resulted in the restatement of revenue, debt impairment and receivables.

Commitments

Prior year balance	-	124 320 991
Less operational commitments	-	(47 117 379)
Restated balance	-	77 203 612

The municipality removed operational commitments from the prior year disclosure as it is not required in terms of GRAP.

G) Prepaid electricity - Unused

The municipality recognised revenue from prepaid electricity using the actual sales information without considering the unused prepaid electricity. This was corrected resulting in the recognition of advance payments.

Statement of financial position

Payables from exchange transactions	-	(555 243)
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Statement of financial performance

Service charges	-	555 243
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VAT Reclassification

The VAT input accrual and VAT output accrual have previously been netted off. Input accruals - VAT receivable in the amount of R 99 025 203 was reclassified as current assets and output accruals in the amount of R 119 636 765 as current liabilities.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
47. Prior-year adjustments (continued)		
Reclassifications		
The following reclassifications adjustment occurred:		
1) Employee benefits		
The prior year amounts for short term employee benefits for leave accrual R 7 583 585 and bonus provision R 2 312 978 have been reclassified from payables from exchange transactions to correct employee benefits disclosure in terms of GRAP 25.		
2) PPE		
Land previously incorrectly classified as investment property in the amount of R 2 485 291 were reclassified as land.		
Community assets reclassified to Infrastructure R 16 662 324		
Operating buildings reclassified to Infrastructure R 2 231 393		
3) Payables from exchange transactions		
The municipality reclassified refunds made for consumer service debtors included in sundry payables incorrectly classified as advance payments in the amount of R 643 657.		
4) Financial instruments		
Short-term employee benefits for leave accrual and bonus provision in the amount of R 9 896 563 included in payables from exchange transactions was reclassified to employee benefits as per GRAP 25.		
48. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to SALGA		
Current year	1 119 271	1 399 096
Amount paid - current year	-	(1 399 096)
	1 119 271	-
Audit fees		
Opening balance	821 403	264 093
Current year fees	10 868 938	9 617 430
Amount paid - current year	(8 938 042)	(8 796 027)
Amount paid - previous years	(821 403)	(264 093)
	1 930 896	821 403
PAYE and UIF		
Current year	18 150 234	16 416 170
Amount paid - current year	(16 709 454)	(16 416 170)
	1 440 780	-
Pension and Medical Aid Deductions		
Current year	32 067 586	30 718 602
Amount paid - current year	(32 067 586)	(30 718 602)
	-	-

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
-----------------	------	------

48. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days:

Year ended 30 June 2025	Outstanding more than 90 days	Total
CLR Khumalo GL	12 161	12 161
Year ended 30 June 2024	Outstanding more than 90 days	Total
Councillor Msibi NW	1 302	1 302
Councillor Khumalo GL	24 327	24 327
	25 629	25 629

49. Financial instruments disclosure

Categories of financial instruments

2025

Financial assets

	At fair value	At amortised cost	Total
Receivables from exchange transactions	-	74 490 278	74 490 278
Other receivables from exchange transactions	-	1 757 113	1 757 113
Short term investments at present value	1 162 379	-	1 162 379
Cash and cash equivalents	-	30 665 947	30 665 947
	1 162 379	106 913 338	108 075 717

Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	199 232 667	199 232 667
Consumer deposits	1 721 028	1 721 028
	200 953 695	200 953 695

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

2025

2024

49. Financial instruments disclosure (continued)

2024

Financial assets

Receivables from exchange transactions
Other receivables from exchange transactions
Short term investments at present value
Cash and cash equivalents

At fair value	At amortised cost	Total
-	59 794 930	59 794 930
-	2 018 431	2 018 431
974 629	-	974 629
-	8 952 053	8 952 053
974 629	70 765 414	71 740 043

Financial liabilities

Payables from exchange transactions
Consumer deposits

At amortised cost	Total
178 409 075	178 409 075
1 701 124	1 701 124
180 110 199	180 110 199

Receivables disclosed for financial instruments excludes statutory receivables.

50. Segment information

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

50. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2025

	Energy Sources	Executive And Council	Finance And Administration	Planning And Development	Waste management	Waste Water Management	Water Management	Public Safety, Community and Social Services	Other	Total
Revenue	82 371 905	-	13 821	-	12 911 704	41 658 231	36 717 342	-	-	173 673 003
Service charges	-	-	1 618 819	-	-	-	-	-	53 490	1 672 309
Rental income	-	-	5 074 123	-	-	-	-	-	-	5 074 123
Agency fees	-	-	-	-	-	-	-	-	-	126 553
Public contributions and transfers	126 553	-	-	-	-	-	-	-	-	-
Operational revenue	56 241	552 473	92 352	261 947	-	-	-	128 178	32 038	1 123 229
Interest income	40 516 515	-	4 180 989	-	-	-	-	-	-	44 697 504
Property rates	-	-	53 346 268	-	-	-	-	-	-	53 346 268
Property rates Interest	-	-	21 703 654	-	-	-	-	-	-	21 703 654
Income	-	-	-	-	-	-	-	-	-	-
Licences or Permits	-	-	-	5 198	-	-	-	-	-	5 198
Government grants & subsidies	9 368 394	167 330 000	4 969 444	35 140 087	1 931 000	-	48 064 150	-	464 100	267 267 175
Fines, penalties and forfeits	180 451	-	-	-	-	-	-	19 110	490 759	690 320
Total segment revenue	132 620 059	167 882 473	90 999 470	35 407 232	14 842 704	41 658 231	84 781 492	147 288	1 040 387	569 379 336
Entity's revenue										569 379 336

Dr Pixley Ka Isaka Seme Local Municipality
Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

50. Segment information (continued)													
Expenditure	Employee related cost	Remuneration of councillors	Inventory consumed	Depreciation and amortisation	Impairment	Interest cost	Debt impairments	Bulk purchases	Contracted services	Gain/(Loss) on disposal of asset	General expenses	Total segment expenditure	Total segment surplus/(deficit)
	(4 398 499)	(9 618 175)	(20 291 733)	(3 118 776)	(12 520 429)	(5 793 579)	(13 480 612)	(17 698 617)	(17 292 534)	(104 212 954)	(15 886 729)	(15 886 729)	(15 886 729)
	-	(10 795 840)	62 497	-	(122 659)	-	(24 319 899)	(199 087)	-	(11 878 264)	(15 886 729)	(15 886 729)	(15 886 729)
	-	-	-	-	(5 281 153)	(7 108 338)	(16 653 819)	(2 006 867)	(19 385 578)	(59 695 548)	(59 695 548)	(59 695 548)	(59 695 548)
	(7 262 873)	-	(1 996 920)	-	-	(860 843)	(3 011 908)	(5 699 011)	(586 682)	(15 886 729)	(15 886 729)	(15 886 729)	(15 886 729)
	(4 700 043)	-	(1 026 286)	-	(1 956)	(860 843)	(3 011 908)	(5 699 011)	(586 682)	(15 886 729)	(15 886 729)	(15 886 729)	(15 886 729)
	-	-	(11 878 264)	-	-	-	(40 581 908)	-	-	(11 878 264)	(15 886 729)	(15 886 729)	(15 886 729)
	(7 125 042)	-	(27 650 879)	-	(15 807 651)	(34 886 686)	(40 581 908)	-	-	(126 052 166)	(126 052 166)	(126 052 166)	(126 052 166)
	(98 888 006)	(589 116)	(23 492 507)	(1 613 817)	(4 800 229)	(256 000)	(7 692 375)	(7 885 363)	(2 484 176)	(53 909 195)	(53 909 195)	(53 909 195)	(53 909 195)
	(5 095 612)	-	-	-	-	-	(10 624)	-	(1 661 794)	(5 207 522)	(5 207 522)	(5 207 522)	(5 207 522)
	-	(3 533 891)	(1 213)	-	-	-	-	-	-	-	(3 452 493)	(3 452 493)	(3 452 493)
	(18 338 697)	(3 770 283)	(29 897 000)	(304 649)	(9 745 167)	(49 597)	(8 291 773)	(346 055)	(3 452 493)	(74 195 714)	(74 195 714)	(74 195 714)	(74 195 714)
	(145 808 772)	(28 307 305)	(116 172 305)	(5 037 242)	(48 279 244)	(48 955 043)	(114 042 918)	(33 835 000)	(44 863 257)	(585 301 086)	(585 301 086)	(585 301 086)	(585 301 086)
	(13 188 713)	139 575 168	(25 172 835)	30 369 990	(33 436 538)	(7 296 812)	(29 261 426)	(33 687 712)	(43 822 869)	(15 921 748)	(15 921 748)	(15 921 748)	(15 921 748)
2024													
	Energy Sources	Executive And Council	Finance And Administration	Planning And Development	Waste management	Waste Water Management	Water Management	Public Safety, Community and Social Services	Other	Total			

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand

50. Segment information (continued)

Revenue	Service charges	Rental income	Agency fees	Operational revenue	Interest income	Government grants & subsidies	Fines, penalties and forfeits	Public contributions and transfers	Property rates interest	Property rates income	Property rates	Total segment revenue	Entity's revenue
68 318 519	409 318	1 730 256	6 721 627	60 276	64 253	3 046 139	578 860	-	-	-	-	138 872 092	138 872 092
-	-	-	-	105 123	157 696 000	-	-	-	-	-	-	157 865 376	157 865 376
-	-	-	-	27 038 926	-	28 525 913	-	-	-	-	-	48 563 449	48 563 449
-	-	-	-	163 095	-	-	-	-	-	-	-	28 689 008	28 689 008
12 365 351	12 365 351	-	-	-	-	3 209 000	-	-	-	-	-	15 574 351	15 574 351
21 001 259	21 001 259	-	-	-	-	-	-	-	-	-	-	21 001 259	21 001 259
34 220 297	34 220 297	-	-	-	-	15 000 000	-	-	-	-	-	49 220 297	49 220 297
-	-	-	-	151 660	-	-	-	-	-	-	-	159 267	159 267
-	-	-	-	18 144	-	-	356 851	-	-	-	-	819 508	819 508
136 314 744	176 056	1 906 312	6 639 265	(82 362)	42 539 905	207 827 871	943 318	404 825	24 745 504	38 889 255	-	460 764 607	460 764 607
Expenditure	Employee related cost	Remuneration of councillors	Inventory consumed	Debt impairments	Bulk Purchases	Contracted services	Interest cost	General expenses	Depreciation and amortisation	Loss on disposals of assets and liabilities	Impairment	Total segment expenditure	Total segment expenditure
(4 275 437)	(9 994 120)	(10 482 411)	-	(10 855 518)	(87 156 277)	(5 759 653)	-	(15 668 303)	(27 055 169)	-	(22 283)	(150 792 640)	(150 792 640)
(16 858 988)	(16 858 988)	-	83 697	33 870 648	-	-	(1 175 358)	(4 219 449)	-	(19 062 113)	(737 746)	(52 146 168)	(52 146 168)
(10 436 071)	(13 950 597)	(6 804 414)	(131 954)	(10 240 779)	-	(3 193 933)	(1 415 780)	(942 721)	(5 304 023)	-	-	(12 794 572)	(12 794 572)
(13 950 597)	(13 950 597)	(6 804 414)	(131 954)	(17 323 506)	-	(4 410 577)	-	(58 121)	(4 988 437)	-	(4 021 521)	(37 606 576)	(37 606 576)
(6 804 414)	(13 008 032)	(17 854 624)	(24 008 686)	(31 410 245)	-	(6 330 951)	-	(6 174 721)	(18 508 003)	-	(6 412 199)	(105 852 837)	(105 852 837)
(17 854 624)	(17 854 624)	(17 854 624)	(435 396)	-	-	(7 927 794)	-	(294 347)	(2 257 951)	-	-	(28 770 112)	(28 770 112)
(9 644 854)	(9 644 854)	-	-	-	-	(4 839 586)	-	(3 738 486)	(4 338 196)	-	(1 709 175)	(24 270 297)	(24 270 297)
(102 827 137)	(10 482 411)	-	(24 492 339)	(35 959 400)	(87 156 277)	-	-	(59 384 502)	(63 675 060)	(17 481 213)	(13 262 964)	(480 299 530)	(480 299 530)

Notes to the Annual Financial Statements

Figures in Rand

Energy Sources	Executive and Council	Finance and Administration	Planning and Development	Waste management	Waste Water Management	Water Management	Public Safety, Community and Social Services	Other	Total
50. Segment information (continued)									
Total segmental surplus/(deficit)									
(11 920 549)	132 830 541	(3 607 260)	15 894 436	(27 429 481)	(16 605 316)	(56 632 541)	(28 613 966)	(23 450 789)	(19 534 924)

51. Accounting by principals and agents

The entity is a party to a principal-agent arrangements.

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
51. Accounting by principals and agents (continued)		
Details of the arrangements are as follows:		
Agent arrangement: Agency service for licensing		
The municipality entered into an agreement with the Mpumalanga Department of Safety, Security and Liason ('the Department'). The agreement is entered into every five years, signed within three months of the new term of office for Local Government. In terms of the agreement the Department is responsible for registration, licensing, and testing functions in terms of applicable national and provincial road traffic legislation. In order to provide greater access to clients throughout the Province, the Department transferred specified registration, licensing and testing functions to appropriately identified agents, who process these functions for and on behalf of the Department.		
As a result of the abovementioned agreement the municipality acted as an agent on behalf of the department. In Volksrust the agent is thus entitled to 20% of the total collected fees in terms of clause 6.2 in respect of motor vehicle registration and licensing fees, as specified in the relevant schedules contained in the applicable national and provincial road traffic legislation. In Amersfoort the agent is entitled to 18%. During the financial period under review, the Department indicated that it plans to take back the function during the next financial year. The date of the planned transfer of function is still to be confirmed. No material risks were identified on the agreement for the municipality. The municipality does not incur any expenses on behalf of the principal.		
Principal arrangement: Prepaid electricity		
The municipality entered into an agreement with Countour Technology (PTY) Ltd, to distribute, collect, process and manage the sales of prepaid electricity on behalf of the municipality.		
A fee of 1.69% of the total revenue collected is payable by the municipality for the prepared sales of the electricity bought in directly on their platform.		
Entity as agent		
Resources held on behalf of the principal, but recognised in the entity's own financial statements		
The municipalities do not hold any resources on behalf of the Department and hence no risks flow to the municipality that could emanate from custodianship over the resources held on behalf of a principal. There is no liability or expenses incurred on behalf of the principal.		
During the financial period under review, the Department took back the function from municipalities At year end no outstanding monies was owed to the department.		
Revenue recognised		
The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R5 074 123 (2024: R6 639 265).		
Reconciliation of revenue		
Funds collected including collections included in prior year accruals	22 256 945	28 666 408
Paid to department	(17 182 822)	(20 577 848)
Payable	-	(1 449 245)
	5 074 123	6 639 315
Entity as principal		
Resources (including assets and liabilities) of the entity under the custodianship of the agent		
There is no risk or rewards in relation to the assets, expenditures and payables in terms of the this agreement applicable to the municipality.		
Fee paid		

Dr Pixley Ka Isaka Seme Local Municipality

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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51. Accounting by principals and agents (continued)

Fee paid as compensation to the agent	826 638	941 019
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Resource and/or cost implications for the entity if the principal-agent arrangement is terminated

No penalties are payable if the contract with the agent is terminated.

52. Change in estimate

Property, plant and equipment

The useful lives of all asset classes were adjusted during the 2025 financial year to more accurately reflect the period of economic benefits or service potential derived from these assets. Refer to note 8. The effect of changing the remaining useful life of assets for the Municipality during 2025 has decreased the depreciation charge for the current year by R3 652 798 (2024: R2 357 211). It is impracticable to estimate the effect of these changes on future periods.

Asset Class	2025	2024
Infrastructure	3 258 678	2 099 808
Buildings	9 173	12 593
Movable assets	306 879	241 623
Community	78 067	3 187
	3 652 797	2 357 211

Detailed descriptions, component types of the assets in question are available in the Fixed Asset Register of the municipality.

53. VAT receivable

VAT Input Accrual	103 983 435	99 025 203
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The VAT position above is the VAT Accrual as at 30 June each year. VAT is payable on the receipts basis. The municipality however uses accrual accounting, and only once payment is received from debtors, VAT is paid over to SARS. Furthermore, VAT is claimable on the payment basis. VAT Receivable and VAT Payable are exchange transactions.



2024/2025

**AUDITOR-
GENERAL
AUDIT
OUTCOME**

Annexure "B"

Report of the auditor-general to Mpumalanga provincial legislature and the council on the Dr Pixley Ka Isaka Seme Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Dr Pixley Ka Isaka Seme Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and the 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 financial statements present fairly, in all material respects, the financial position of the Dr Pixley Ka Isaka Seme Local Municipality as at 30 June 2025 and its financial performance and cash flows the year then ended in accordance with the South African Standard of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (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 in respect of these matters.
7. As disclosed in notes 4 and 6 to the financial statement, material impairment of R816,16 million (2023-24: R721,46 million) and R298,69 million (2023-24: R269,74 million) was incurred as a result of an allowance for impairment of receivables from exchange transactions and receivables from non-exchange transactions, respectively.

8. As disclosed in note 36 to the financial statements, material electricity losses of R15,14 million (2023-24: R17,06 million) were incurred, which represents 15% (2023-24: 20%) of total electricity purchased.
9. As disclosed in note 36 to the financial statements, material water losses of R6,71 million (2023-24: R5,69 million) were incurred, which represents 32% (2023-24: 29%) of total water purchased.
10. As disclosed in note 47 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Other matter

11. I draw attention to the matter below. My opinion is not modified in respect of this matter.
12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
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. This description, which is located at page xxx, forms part of my auditor's report.

Report on 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 information against predetermined objectives for the selected material 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 basic service delivery and infrastructure development presented in the annual performance report for the year ended 30 June 2025. 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.

- Number of boreholes refurbished in private farms
- Number of Toilets in Ward 1, 9, 10, 11
- Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (Multi-year project. Year 1 of 3)
- Percentage of progress in terms of upgrading of Waste Water Treatment Works: Amersfoort (Multi-year project. Year 3 of 3)
- Percentage of progress in terms of Construction of water reticulation network with house connection in Daggakraal Ward 10
- Percentage of progress in terms of Sewer Reticulation outfall: Amersfoort (Multi-year project. Year 1 of 3)
- Number of Meters of paved road constructed in Vukuzakhe Ward 2
- Number of meters of paved roads constructed in Ward 3
- Number of meters of paved roads constructed in Ward 11
- Number of meters of paved roads constructed in Ward 9
- Number of yellow fleet (Solid waste) procured (Compactor Truck)
- Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 9
- Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 10
- Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 11
- Number of Households provided with electricity in Vukuzakhe A & B
- Percentage of drinking water samples complying to SANS241: 2015 within Dr Pixley ka Isaka Seme Local Municipality

- Number of kiloliters of free water supplied by Water Tanker to rural areas and areas affected by water supply interruption
- Percentage of reported and maintained water meters within Dr Pixley Ka Isaka Seme Local Municipality
- Number of Megaliters of water supplied to the Community
- Percentage of reported burst water pipes attended to within 24 hours
- Percentage of reported sewer blockages attended to within 24 hours
- Number of kilometers of gravel roads maintained in all admin units
- m2 of potholes patched in Volksrust, Vukuzakhe, Amersfoort, Wakkerstroom and Perdekop
- Number of traffic signs to be maintained in all Wards
- Km's of roads marked
- Number of intersections painted
- Number of Stormwater pipes cleaned
- Number of High Mast lights to be maintained in all Admin Units
- Number of electricity meters inspected for tempering
- Number of streetlights to be repaired in all admin units
- Number of waste loads collected per annum, in all Admin Units Wards 1 - 8, from the HH and businesses - excluding skippy bins & dropped off at the Landfill site
- Number of days for Street cleaning of in all admin units per annum
- Number of Skippy bins offloaded in business areas per annum
- Number of times illegal dumps cleared per year in all Admin. Units
- Percentage of Parks & Open spaces Maintenance done per annum
- Number of job opportunities created through EPWP incentive grant

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 on 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
- there is adequate supporting evidence for the achievements reported and for 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:

Various indicators

23. I could not determine the accuracy of various reported achievements, as the indicators were not well defined and I could not verify the methods and processes used to measure the achievements. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (Multi-year project. Year 1 of 3)	15%	5%
Percentage of progress in terms of upgrading of Waste Water Treatment Works: Amersfoort (Multi-year project. Year 3 of 3)	100%	100%
Percentage of progress in terms of Construction of water reticulation network with house connection in Daggakraal Ward 10	100%	100%
Percentage of progress in terms of Sewer Reticulation outfall: Amersfoort (Multi-year project. Year 1 of 3)	3%	0%

Number of Meters of paved road constructed in Vukuzakhe Ward 2	500m	510m
Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 9	100%	100%
Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 10	100%	100%
Percentage of progress in terms of Upgrading of Daggakraal Combo courts in Ward 11	100%	100%
Number of households provided with electricity in Vukuzakhe A & B	630	0
Percentage of drinking water samples complying to SANS241: 2015 within Dr Pixley Ka Isaka Seme Local Municipality	100%	92%
Number of kiloliters of free water supplied by Water Tanker to rural areas and areas affected by water supply interruption	30000	32640
Percentage of reported and maintained water meters within Dr Pixley Ka Isaka Seme Local Municipality	100%	100%
Number of Megaliters of water supplied to the Community	4200	5465.102
Percentage of reported burst water pipes attended to within 24 hours	100%	100%
Percentage of reported sewer blockages attended to within 24 hours	100%	100%
Number of times illegal dumps cleared per year in all Admin. Units	600	600

Various indicators

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

Indicator	Target	Reported achievement
Number of Toilets in Ward 1, 9, 10, 11	118	115
Number of traffic signs to be maintained in all Wards	200	141

Number of Toilets in Ward 1, 9, 10, 11

25. The indicator was not clearly defined during the planning process. The outcome of the toilets to be measured is not specified. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.

Other matters

26. I draw attention to the matters below.

Achievement of planned targets

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

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

Basic service delivery

<i>Targets achieved: 80.55%</i> <i>Budget spent: 89.39%</i>			
Key service delivery indicator not achieved	Planned target	Reported achievement	
Number of Toilets in Ward 1, 9, 10, 11	118	115	
Percentage of progress in terms of refurbishment of Water Treatment Works: Volksrust (Multi-year project. Year 1 of 3)	15%	5%	
Percentage of progress in terms of Sewer Reticulation outfall: Amersfoort (Multi-year project. Year 1 of 3)	3%	0%	
Percentage of drinking water samples complying to SANS241: 2015 within Dr Pixley Ka Isaka Seme Local Municipality	100%	92%	
Number of traffic signs to be maintained in all Wards	200	141	
Number of streetlights to be repaired in all admin units	1200	1175	
Number of households provided with electricity in Vukuzakhe A&B	630	0	

Material misstatements

29. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic Service Delivery. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

30. 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.
31. 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.
32. 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.
33. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance report and annual report

34. 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, disclosure items as well as statement of comparison of budget and actual amounts identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified audit opinion.

Human resource management

35. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the MSA and regulation 31 of Municipal Staff Regulations.

Strategic planning and performance management

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

Expenditure management

37. Reasonable steps were not taken to ensure that money owed by the municipality was always paid within 30 days, as required by section 65(2)(e) of the MFMA
38. Reasonable steps were not taken to prevent irregular expenditure amounting to R2.39 million as disclosed in note 43 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with competitive bidding requirements.
39. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R0,78 million, as disclosed in note 44 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest charged on long outstanding invoices.

Other information in the annual report

40. 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 those selected material indicators in the scoped-in objective presented in the annual performance report that have been specifically reported on in this auditor's report.
41. My opinion on the financial statements and my reports on the audit of the annual performance report and 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.
42. 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 material indicators in the scoped-in objective presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. If based on the work I have performed, I concluded that there is a material misstatement in this other information, I am required to report that fact.
44. I have nothing to report in this regard.

Internal control deficiencies

45. 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.
46. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the selected material indicators included in the annual performance report and the material findings on compliance with legislation included in this report.
47. Regular, accurate and complete financial and performance reports that were supported and evidenced by reliable information were not prepared. Inadequate internal controls and

shortcomings over daily and monthly processing and review processes that had to prevent, detect and correct material misstatements in the annual financial statements.

48. Council and management did not exercise adequate oversight over compliance with laws and regulations.

Material irregularities

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

Material irregularities in progress

50. I identified a material irregularities during the audit and notified the accounting officer of these, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the responses from the accounting officer. This material irregularity will be included in the next year's auditor's report.

Other reports

51. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
52. The Hawks was investigating allegations of corruption into the upgrading and refurbishment of the Volksrust wastewater treatment works project against former senior officials of the municipality, covering the financial year 2020-21. The investigation was still ongoing at the time of my auditor's report.

Mbombela

30 November 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators 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 the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

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

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or 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	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), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 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), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 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), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(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	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b) Parent municipality with ME: Sections: 93B(a), 93B(b) Parent municipality with shared control of ME: Section: 93C(a)(iv), 93C(a)(v)

Legislation	Sections or regulations
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
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), 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)



2024/2025

AUDIT ACTION PLAN

Annexure "C"

Dr Pixley ka Isaka Seme Local Municipality

2024/25 AUDIT ACTION PLAN

Reference	Section	Subsection	Line Item	Finding	Root Cause	Recommendation	Nature of Findings	ACTION PLAN	Responsible Person	Due Date Implementation
APP90677-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment	Errors in PPE disclosure note	Inadequate reviews	The segment information disclosed as Additions was incorrectly included in the fixed asset register, general ledger, and the PPE note, ensuring that clear mapping schedule/reconciliation between Develop and maintain a notes so that they correlate Amend the disclosure	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90696-2025	Misstatements in annual financial statements	Other disclosure items	Other	Segment information - Error in note	Inadequate reviews	Management should take after all audit adjustments are passed to the figures on the AFS - note and schedule should be updated and	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register as at 31st December 2025	Nompumelelo Khuzwayo	31-Jul-2026
APP90706-2025	Misstatements in annual financial statements	Non-current assets	Investment property	Investment Property - Classification issues	Inadequate reviews	Management should ensure the fixed asset register is adequately updated and reconciled to the investment property notatmanagement	Internal control deficiency	Review of AFS prior submission to upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90710-2025	Misstatements in annual financial statements	Non-current assets	Investment property - AFS and	Differences between investment property - AFS and	Inadequate reviews	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping	Internal control deficiency	Design a template which is complete on a monthly basis and compare it to the final creditor and ledger figures to ensure that it agrees to the AFS	Nompumelelo Khuzwayo	31-Jul-2026
APP90713-2025	Misstatements in annual financial statements	Other disclosure items	Persons and medical aid	Pensions and medical aid - disclosure items made in the prior period adjustment note	Inadequate reviews	The note description should be amended accordingly Management should take reasonable steps to ensure that there is sufficient and adequate record keeping	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Tanya Van Der Linde	31-Jul-2026
APP90716-2025	Misstatements in annual financial statements	Long term liabilities	Finance lease obligation	Finance lease disclosure	Inadequate reviews	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90717-2025	Misstatements in annual financial statements	Non-current assets	Investment property - (Deposits)	The inclusion of municipal-owned accounts in revenue from exchange transactions, which are then	Inadequate reviews	Management should prepare regular, accurate and complete Management should ensure	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90779-2025	Misstatements in annual financial statements	Revenue from exchange transactions - Service charges	Revenue from exchange transactions - Service charges	Revenue from exchange transactions - Service charges	Inadequate reviews	Management should prepare regular, accurate and complete Management should ensure	Internal control deficiency	Identify all accounts that are municipal accounts and classify them to municipal account debtor	Nthekisoziwe Magubane	31-Jul-2026
APP90900-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment - (Additions)	Property, plant and equipment - Limitation of scope	Poor records keeping	Management should implement proper and adequate records management	Internal control deficiency	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90904-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment - Differences in recalculations (Immovables - Additions)	Property, plant and equipment - Differences in recalculations (Immovables - Additions)	Inadequate reviews	Management should adjust the financial statement and asset	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90909-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment - Missstatements identified in	Property, plant and equipment - Missstatements identified in	Inadequate reviews on the FAF	Management should adjust the financial statement and asset	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90912-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment - (Additions)	Property, plant and equipment - (Additions)	Inadequate reviews on the FAF	Management should adjust the financial statement and asset	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026
APP90918-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment - (Additions)	Property, plant and equipment - (Additions)	Inadequate reviews	Management should adjust the financial statement and asset	Inadequate reviews	Consultants must complete the upgrade on the Fixed Assets Register in time in order for management to have ample time to review both the FAF and AFS.	Murendeni Mulaudzi	31-Jul-2026

AP90725-2025	Non-compliance with laws and regulations	Unauthorised, irregular expenditure	Procurement and contract management	Incorrect calculation of points as per PPF	Inadequate oversight review	Management should ensure that there are adequate controls to ensure that the awarding of points is done with laws and regulations	Non-compliance with applicable legislation	Review of calculations versus the submitted information by the bidder will be done to ensure that correct specific goals points are captured	Melody Ralintso	30 Jun 2026
AP90724-2025	Non-compliance with laws and regulations	Unauthorised, irregular expenditure	Quotations – Incorrect calculations for PPR		Inadequate oversight review	Leadership should ensure that the relevant checks and reviews are occurring Management should implement adequate and complete controls to ensure that information is accurate and sufficient and adequate record keeping sufficient steps to ensure that there is	Non-compliance with applicable legislation	SCM implemented a report that is completed by the SCM Manager for review before the request is issued to verify the calculations and allocation of points and approves the recommended bid, all the CSD and quotations are attached to the report for accuracy of the information	Melody Ralintso	30 Jun 2026
AP90723-2025	Non-compliance with laws and regulations	Budgets	Statement of Comparison of Budget and Actual Amounts - Errors identified		Inadequate oversight	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	Internal control deficiency	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Murudeni Mulaudzi	31 Jun 2026
AP90722-2025	Other reported information	Other information	Distribution losses - Errors in disclosure		Inadequate Review oversight	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	Internal control deficiency	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo	31 Jun 2026
AP90720-2025	Other reported information	Other important matters	Commitments - Error in disclosure note #2		Management oversight	The note description should be amended accordingly Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	Internal control deficiency	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo	31 Jun 2026
AP90719-2025	Non-compliance with laws and regulations	Annual financial report	Related parties - Error in disclosure note		The note was not adequately updated for the current year adjustments	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	Internal control deficiency	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo	31 Jun 2026
AP9069-2025	Misstatements in annual financial statements	Other disclosures	Financial instruments - Amounts incorrect in per Statement of Financial Position		Inadequate reviews	The note description should be amended accordingly Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	GRAP non-compliance	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo	31 Jun 2026
AP9067-2025	Non-compliance with laws and regulations	Other	Water losses - The financial ratios for distribution losses of water are above the norm		Management Oversight	Note 49 should be updated after all audit adjustments passed to ensure the amounts agree with the remainder of the AFS Management should take reasonable steps to ensure that there is sufficient and adequate record keeping sufficient steps to ensure that there is	Non-compliance with applicable legislation	Replacement of faulty domestic and business meters installation of bulk meters to divide the distribution system into smaller manageable areas to prevent wastage and pressure	Menz Nene	30 Jun 2026
AP90968-2025	Misstatements in annual financial statements	Revenue from exchange transactions	Revenue from exchange transactions - Service charges	Revenue from exchange transactions - No estimate performed for the unused prepaid electricity sales (units) at year end	Inadequate Reviews	Management can explore the implementation of the following recommendations: Establish a Leak Detection Program - Deploy team to identify and repair leaks promptly Consider investing in leak-detection technology such as acoustic sensors. Install Pressure Control Valves - Reduce pressure in low-lying areas to prevent wastage and	GRAP non-compliance	A calculation of the estimated prepaid electricity that has not been used at year end will be prepared and shown on the Annual financial statement	Nehekeziele Magubane	31 Jun 2026
AP90938-2025	Misstatements in annual financial statements	Non-current assets	Property, plant and equipment	Loss on disposal of assets - Difference in listings	Inadequate Reviews	Management should implement adequate and complete controls to ensure that information is accurate and sufficient and adequate record keeping sufficient steps to ensure that there is	GRAP non-compliance	Review of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026Complete interim Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo, Muzi	30 Jun 2026

AP90733-2025	Non-compliance with laws and regulations	Procurement	Invited	Competitive bidding in violation of scope – Pilot management services	Inadequacy of oversight	Management should implement proper and adequate records management controls to enable the entity to retrieve the documents on request. Extensions should be requested if required	Management should improve planning and control over fleet maintenance and tyre replacement to avoid unnecessary emergency procurements. A fleet management plan must be implemented with scheduled inspections, tyre replacement, and proper record-keeping. Management should monitor compliance with laws and regulations and ensure that all procurement which is not an emergency is properly planned for. R330 264-59 should be disclosed	Non-compliance with applicable legislation	Review of the deviation register that is submitted for AFS will be done to ensure that class of transactions are correct.	Melody Ralints	30-Jun-2026	AP90740-2025	Non-compliance with laws and regulations	Procurement	Invalid deviations from official procurement process - SCM reg. 32	Deviation from procurement processes	Procurement and contract management - Poor planning	Management should implement proper internal controls to monitor compliance with applicable laws and regulations. Furthermore, management should put in place an internal control system to track and monitor invoices received from suppliers to ensure that payments are made within 30 days.	Non-compliance with applicable legislation	The valuation roll reconciliation will be prepared on monthly basis to ensure that the errors are identified and corrected immediately.	Melody Ralints	30-Jun-2026	AP90749-2025	Non-compliance with laws and regulations	Expenditure management	Deviation from procurement processes	Procurement and contract management - Inadequate oversight	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping controls to ensure that information is accurate and complete	Non-compliance with applicable legislation	The valuation roll reconciliation will be prepared on monthly basis to ensure that the errors are identified and corrected immediately.	Melody Ralints	30-Jun-2026	AP90755-2025	Non-compliance with laws and regulations	Revenue management	Revenue from non-exchange transactions - Error in disclosure note	Inductance oversight review	Compliance requirements in terms of GRAP should be monitored and adhered to. The VAT output accrual needs to be shown under the Payables from exchange transactions. VAT input accrual needs to be shown under the Receivables from exchange transactions. The VAT input accrual needs to be shown under the Receivables from exchange transactions. VAT output accrual needs to be shown under the Payables from exchange transactions.	Non-compliance with applicable legislation	Renewal of AFS prior submission to AFSA Draft AFS to be completed by 31st July 2026. Compliance in terms of Financial Statements as at 31st December 2025	Nompumelelo Khuzwayo	3-Jul-2026	AP90766-2025	Non-compliance with laws and regulations	Human resource management	Employee related costs - Background screening occurred after appointment	Background screening requested after probationary period completed	Management should ensure legislation is abided with and background screening is done prior to appointments being made	Non-compliance with applicable legislation	All appointments made after August 2024, were verified and processed according to MSR.	Mandla Shabangu	30-Jun-2026	AP90772-2025	Non-compliance with laws and regulations	Other	The exceeding of the stipulated permitted overtime period shall not be allowed unless motivated and is in the interest of ensuring uninterrupted service delivery. Furthermore, the prior approval from the Municipal Manager or his/her designate	Management Oversight	Management should ensure all overtime is approved by the MM or delegated official (higher position than the employee) and is approved for the overtime being worked. This has been communicated to all staff. Supervisors, managers and Directors	Mandla Shabangu, Oupa Moko31-Jul-2026	AP90785-2025	Non-compliance with laws and regulations	Revenue management	Indigenes - Subsidies incorrectly provided to individuals	Management to confirm	These CAPS findings need to be investigated by the relevant departments immediately. All identified exceptions and the correct action against any irregularities. Recover inappropriate subsidies, where assessments to confirm continued eligibility. Perform periodic household income verification and supplier databases. Regular automated linkages with NFR, strengthen validation controls by incorporating regular automated linkages with NFR, and update the indigent register accordingly.	Non-compliance with applicable legislation	The municipality will ensure on all indigent applications that the monthly verification result will be used to perform monthly verification systems that can be used to avoid incurring costs and wasteful expenditure in future. From the monthly verification result, the indigent who do not qualify will be de-registered from the indigent register.	Melody Ralints	3-Jul-2026
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AP90983-2025	Non-compliance with laws and regulations	Audit committees	member not completed	Rigorous assessment into long standing Auditor's response from the first members, due to late appointment of Audit Committee members, service delivery and effective accountability should ensure this independence thereby ensuring that the Ramaphosa in order to confirm and enhance this assessment should be performed on Mr J	Non-compliance with applicable legislation	Early advertisement of Audit Committee members to ensure the contact of the Audit committee member	30/Jun/2026	Gugu Zwane
AP90986-2025	Non-compliance with laws and regulations	Other	Internal audit	Internal audit - Quality assurance review not completed	Non-compliance with applicable legislation	Submit a request to have the Internal Audit Officer appointed, and request Provincial Treasury to assist for the preparation of the Quality assurance review	30/Jun/2026	Gugu Zwane, M.A Ngcobo
AP90926-2025	Laws and regulations	Unauthorised, irregular expenditure	disclosed incomplete	Management OVERSIGHT	Internal control deficiency	Recalculate interest that is raised by creditors and compare to the relevant sector in the ledger to ensure that the interest was captured on the correct segment	31/Jul/2026	Tana Van Der Linde
AP90932-2025	Non-compliance with laws and regulations	Asset management	Change in estimate - Non-compliance with GRAP 3 requirements	Management oversight	Non-compliance with applicable legislation	Consultants must complete the upgrades on the Fixed Assets Register on time in order for management to have ample time to review both the FAR	31/Jul/2026	Mundeneri Mulaudzi
AP90934-2025	Other information	Other information	Other	Principals and agents - Error in disclosure note	Internal control deficiency	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	31/Jul/2026	Nompumelelo Khuzwayo
AP90943-2025	Laws and regulations	Expenditure management	Fuelless and wasteful expenditure - Error in disclosure note	Management oversight	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	31/Jul/2026	Nompumelelo Khuzwayo
AP90946-2025	Laws and regulations	Expenditure management	regular expenditure - Error in disclosure note	Management oversight	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	31/Jul/2026	Nompumelelo Khuzwayo
AP90965-2025	Other information	Deterioration of the condition of assets	methodology report	Management oversight	Management oversight	Electrical Operations and Maintenance Plan Review Increase Repairs and Maintenance Budget of 2026/2027 with 1% from the budget of 2025/2026	30/Jun/2026	Mundeneri Mulaudzi, M.A Ngcobo
AP90966-2025	Laws and regulations	Other	Commitments - Incorrect amount disclosed for prior period error	Management oversight	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	31/Jul/2026	Nompumelelo Khuzwayo

AP90969-2025	Non-compliance with laws and regulations	Revenue management	Consumer deposits - Error in note disclosure	Management oversight	The note description should be amended to ensure that information is accurate and complete	Non-compliance with applicable legislation	Consumer deposit reconciliation to be done on both electricity and water to ensure that the general ledger balances to the consumer deposit	Neikekeziye Magubane, Nompumelelo Khuzwayo	31-Jul-2026
AP90971-2025	Misstatements in annual performance report	Non-compliance with laws and regulations	Reported information not reliable	Management oversight	The note description should be amended. Management should take reasonable steps to ensure that there is sufficient and adequate record keeping	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	Nompumelelo Khuzwayo	30-Jun-2026
AP90974-2025	Non-compliance with laws and regulations	Annual financial statements and annual report	Inventory - Error in note disclosure	Management oversight	Note 3.1 should be amended to correspond to the transaction	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	Nompumelelo Khuzwayo	31-Jul-2026
AP90980-2025	Non-compliance with laws and regulations	Annual financial statements and annual report	Investments - Error in note disclosure	Management oversight	Note 7 should be amended to correspond to the transaction	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	Nompumelelo Khuzwayo, Tanga	31-Jul-2026
AP90982-2025	Misstatements in annual performance report	Non-compliance with laws and regulations	Reported information not reliable	Management oversight	Management should ensure daily controls are in place and all documentation should be appropriately signed and reviewed to avoid errors	Non-compliance with applicable legislation	Development of Daily control to ensure all documents are properly signed in a correct date	Phakamile Mazibuko	30-Jun-2026
AP90984-2025	Non-compliance with laws and regulations	Asset management	Investment Property - Disclosure not in line with GRAP standards 1, 3, 16 and 17	Management oversight	Management should ensure a GRAP compliance checklist is done prior to the AFS being submitted for audit purposes. Amendments should be made to the accounting policy, investment property and prior period adjustment notes	Non-compliance with applicable legislation	Consultants must complete the upgrade on the Fixed Assets Register on time in order for management to have ample time to review both the FAS	Murudeni Mulaudzi	31-Jul-2026
AP90991-2025	Non-compliance with laws and regulations	Budgets	Statement of comparison of budget and actual amounts - Cash flow not included	Management oversight	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping controls to ensure that the cash flow statement amounts should also be included in the Statement of comparison of budget and actual amounts	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	Nompumelelo Khuzwayo, Mure	31-Jul-2026
AP90995-2025	Non-compliance with laws and regulations	Annual financial statements and annual report	Prior period adjustments - Differences between summary and sub notes	Management oversight	The sub-note descriptions and amounts should be amended accordingly to ensure alignment with the main summary in Note 47	Non-compliance with applicable legislation	Renewal of AFS prior submission to AGSA Draft AFS to be completed by 31st July 2026	Nompumelelo Khuzwayo	31-Jul-2026
AP90998-2025	Non-compliance with laws and regulations	Other	Waste-Water Treatment Management-Physical Inspection	Management oversight	Management should provide repairs and rehabilitation of sewer infrastructure, implement a structured maintenance plan, procure and maintain functional mechanical equipment ensure staff are trained and safety protocols followed, and inspect for long-term operational requirements	Non-compliance with applicable legislation	Develop a Daily Operational Plan for WWTP, develop WWTP installation of a pond, develop WWTP manual screen for Pond, develop WWTP manual screen for Pond, develop WWTP manual screen for Pond	Menzi Nene	30-Jun-2026
AP91002-2025	Non-compliance with laws and regulations	Expenditure management	Frictions and wasteful expenditure - Error in write off amount reflected	Management oversight	Management should take reasonable steps to ensure that there is sufficient and adequate record keeping controls to ensure that information is accurate and complete	Non-compliance with applicable legislation	An overview of the financial information reported to the AFS will be done	Melody Rando	31-Jul-2026

AP91010-2025	Missilements in annual performance report	Reported information not reliable	AQPO - Indicators not well defined, measurable and verifiable	Management oversight	Management should ensure that indicator definitions, sources of data and the means of verification are consistent and detailed in the TTDs to allow data to be collected consistently, be verifiable and measurable in support reported achievements in the annual performance report.	Non-compliance with applicable legislation	Correction will be made on the revised SDBIP 2025/2026 financial year	Pharmile Mazibuko	30.July.2026
AP91014-2025	Non-compliance with laws and regulations	Annual financial statements and annual report	Use of consultants - Deficiencies identified	Management oversight	Ensure that the use of consultants results in skills transfer to the relevant officials as part of plan to reduce use of consultants. Should develop and implement a plan to reduce the use of consultants that is feasible. Develop and implement sufficient measures to monitor the delivery of GRAP compliant AFS and FAR. Investigate and implement measures to address the non-compliance. Implement measures to ensure that such non-compliance does not re-occur.	Non-compliance with applicable legislation	1. Advise and find the position of the Manager Accounting Services 2. Develop a skills transfer plan. Continue to Monitor the performance of the consultants	Nomumetelo Khuzwayo	31.Jul/2026
AP91016-2025	Non-compliance with laws and regulations	Strategic planning and performance management	Lack of an Updated Water Services Development Plan (WSDP) and Routine Maintenance Plan	Management oversight	Management should develop and approve an updated Water Services Development Plan and ensure that it is reviewed at least every five years in line with legislative requirements. In addition, management should develop document, and implement a routine maintenance plan for water and sanitation infrastructure to support sustainable and reliable service delivery.	Non-compliance with applicable legislation	Request assistance from MISA and/or DBSA	Menzil Nene	31.Jul/2026
AP91018-2025	Non-compliance with laws and regulations	Other	Quotations- at least three written quotations were not obtained	Management oversight	Management should ensure that all measures to obtain at least three written quotations are taken: such as advertising requests for quotations on the website where everyone has access. Management should ensure that suppliers on the CSD and send them emails to request their written quotations to be able to access a larger audience to request their written quotations	Non-compliance with applicable legislation	When sourcing quotations minimum of three quotations will be accepted where less than three quotations received deviation will be approved with reasons.	Nicodjy Rohlofo	31.Jul/2026



2024/2025

ANNUAL PERFORMANCE REPORT

Annexure "D"

Dr Pixley ka Isaka Seme Local Municipality

ANNUAL PERFORMANCE REPORT 2024/2025											
DEPARTMENT CORPORATE SERVICES											
REVISED HIGH-LEVEL 2024/2025											
KPI 1: Municipal Transformation & Institutional Development											
Strategic Objective									To provide effective, efficient and transformed human resources		
KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates	
1	Number of progress reports to Council on the implementation of Council Resolutions for all Departments	4	4	4 x progress reports to Council	4	4		Achieved	None	None	
	Number of outstanding Council Resolutions for the Department Corporate Services	0	1 (zero)	List of outstanding Council Resolutions	0	2		Not achieved	Awaiting applicant to sign lease agreement 2. Awaiting legal opinion from service provider	1. To follow up on applicant to sign lease agreement 2. To follow up on service provider for legal opinion	
RECORDS											
3	Number of Customer Satisfaction surveys done Signed by DCS	1	1	Customer Satisfaction survey report signed by DCS	1	1		Achieved	None	None	
4	Number of reports to Council on the outcome of the Customer satisfaction survey	1		KPI removed during revised SDBIP							
5	Number of Customer Care Policies reviewed and submitted to Council	1	1	Customer Care Policy Council resolution	1	1		Achieved	None	None	
6	Number of Communications Strategies to be reviewed	Outdated Strategy	1	1 x Communication Strategy reviewed. Council resolution	Outdated Strategy	1		Achieved	None	None	
IT											
7	Number of quarterly reports submitted to Council on ICT & IT Services	3	4	Quarterly Progress Reports to Council. Council resolution.	3	4		Achieved	None	None	
LEGAL											
8	Number of quarterly reports submitted to Council on litigation cases attended to	4	4	Quarterly Progress Reports to Council. Council resolution.	4	4		Achieved	None	None	
9	Number of reports submitted to Council on support given to Departments on Contract renewal	4	4	4 x reports submitted to Council and Council Resolutions	4	4		Achieved	None	None	

KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
HUMAN RESOURCES										
10	Number of WSP Documents drafted and submitted to Council for 2024/2025 FY.	1	1	1 x WSP Report submitted to Council. Cpncl resolution	1	1		Achieved	None	None
11	Number of the Employment Equity reports submitted to Council	1	1	EE report . Council resolution.	1	1		Achieved	None	None
12	Number of HR Policies reviewed and submitted to Council	14	14	Council resolution indicating the approval of 14 x policies	15 Policies and 1 Strategy reviewed	15 x HR Policies		Achieved	None	None
13	Number of Organisational Structures reviewed and submitted to Portfolio and Council	1	1	1 x report to Portfolio and 1 x Council Resolution for the approval of the structure	1	1		Achieved	None	None
14	Number of HR Policies Awareness Rollouts	NEW KPI	1	Attendance register/Agenda	New KPI	Achieved		Achieved	None	None
15	Number of FORMAL performance assessments done for Middle Managers	New KPI	3	3 x Formal Performance Assessments reports for Middle Managers	New KPI	0		Not Achieved	Supervisors awaiting for training to conduct assessment for the Middle Managers	The follow up will be made with SALGA and COGHSa for the training of the supervisors
LABOUR RELATIONS										
16	Number of Labour Relations reports to Council	NEW KPI	4	Report to Council. Council Resolution.	New KPI	4		Achieved	None	None

KPI ID#	KPI	Budget R 000's	Baseline 2023/24	ANNUAL TARGET REVISED	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not	Challenges and cause of challenges	Remedial action and target dates
PUBLIC WORKS											
22	Number of Meters of paved road constructed in Vukuzakhe Ward 2	MIG R3 084 600	NEW KPI	500m	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	510m Completed	The contractor was able to extend the paving works by an additional 10 metres within the budget	Over Achieved	None	None
23	Number of meters of paved roads constructed in Ward 3	MIG R2 658 984	NEW KPI	750m	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	750m Completed		Achieved	None	None
24	Number of meters of paved roads constructed in Ward 11	MIG R2 000 000	NEW KPI	300m	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	300m Completed		Achieved	None	None
25	Number of meters of paved roads constructed in Ward 9	MIG R2 000 000	NEW KPI	300m	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	300m Completed		Achieved	None	None
New KPI	Number of meters of paved roads constructed in Ward 1	MIG R6 000 000	NEW KPI	550m	Design report,Advert of tender,Appointment letter of Contractor. Progress reports. Practical Completion certificates	NEW KPI	550m Completed		Achieved	None	None
26	Number of yellow fleet (Solid waste) procured (Compactor Truck)	MIG R2 200 000	NEW KPI	No Changes	BSC Item. Appointment of Service Provider (Order number). Delivery note	NEW KPI	1 x yellow fleet (Solid waste) procured (Compactor Truck)		Achieved	None	None
SPORT & RECREATION											
27	Percentage of progress in terms of Upgrading of Daggaakraai Combo courts in Ward 9	MIG R4 000 000	NEW KPI	100%	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	100% upgraded of Combo courts		Achieved	None	None
28	Percentage of progress in terms of Upgrading of Daggaakraai Combo courts in Ward 10	MIG R4 000 000	NEW KPI	100%	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	100% upgraded of Combo courts		Achieved	None	None
29	Percentage of progress in terms of Upgrading of Daggaakraai Combo courts in Ward 11	MIG R4 000 000	NEW KPI	100%	Design report,Advert of tender,Appointment letter of Contractor. Progress reports & 1 X Project Close-out report. Completion certificates	NEW KPI	100% upgraded of Combo courts		Achieved	None	None

KPI ID#	KPI	Budget R 000's	Baseline 2023/24	ANNUAL TARGET REVISED	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
ELECTRICAL SERVICES											
30	Number of Households provided with electricity in Vukuzakhe A & B	INEP R17 832 000	NEW KPI	630HH	Assessment and Design report,Progress reports & 1 X Project Close-out	NEW KPI	Pole planting, House connections and stringing of LV line		Not Achieved	Contractor has not been on site which reduced the project progress and that contractor requested the extension of time which is under consideration	Upon the municipal follow up the
31	Number of High Mast lights constructed Ward 10	MIG R2 944 650	NEW KPI		KPI was removed during the revised SDBIP						
ADMINISTRATIVE SUPPORT											
32	Percentage spent on INEP grant by 30 June 2025	INEP R17 832 000	100%	100%	Expenditure progress report	100,00%	60,00%		Not Achieved	Slow Progress on site	Approval of extension of time and monitor the project
33	Percentage spent on MIG grant by 30 June 2025	MIG R34 440 000	100%	100%	Expenditure progress report	100%	100%		Achieved	None	None
34	Percentage spent on WSIG grant by 30 June 2025	WSIG R51 106 000	100%	100%	Expenditure progress report	100%	90%		Not Achieved	Late implementation of the outfall sewer reticulation project in Amersfoort	Application for rollover ,the balance will be spent in Q2 of next financial year
35	Number of Council Resolutions outstanding for the Department Infrastructure Services	OPEX	0	0 (zero)	List of outstanding Council Resolutions	0(zero)	0		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT COMMUNITY SERVICES										
REVISED HIGH- LEVEL 2024/2025										
KPA 2: BASIC SERVICE DELIVERY										
Strategic Objective										
To provide access to basic service delivery to the community										
KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
SOCIAL DEVELOPMENT SERVICES										
36	Number of Waste Management Forums meetings arranged	New KPI	4	Attendance registers and minutes of meetings	New KPI	4		Achieved	None	None
EPWP										
37	Number of EPWP plans to be drafted for 2024/2025 and submitted to the Accounting Officer	1	1	EPWP plan. Memo submitted to Accounting Officer	1	1		achieved	none	none
38	Number of progress reports to Council on the Community Works Programme (CWP) opportunities created in the municipality	4	4	4 x Quarterly reports submitted to portfolio committee as council committee	4	4		Achieved	None	None
39	Number of job opportunities created through EPWP incentive grant	77	77	List of appointed beneficiaries.	77	77		Achieved	None	None
40	Number of library marketing events held	New KPI	4	Photographs and staff register	4	4		Achieved	None	None
PUBLIC SAFETY / FIRE & RESCUE AND DISASTER MANAGEMENT										
41	Number of reports on Traffic submitted to Council	4	4	Quarterly reports submitted to Council	4	4		Achieved	None	None
ADMINISTRATION										
42	Number of Council Resolutions outstanding for the Community Services Department	0 (zero)	0 (zero)	List of outstanding Council Resolutions	List of outstanding Council Resolutions	0		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT OF THE MUNICIPAL MANAGER										
REVISED HIGH-LEVEL 2024/2025										
KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED)										
Strategic Objective						Facilitate investment and development strategic infrastructure to unlock growth and job creation				
KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for achievement over	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
LOCAL ECONOMIC DEVELOPMENT										
43	Number of LED Forum policies customised and approved by Council	1		KPI was removed during the revised SDBIP						
44	Numbe of Local Economic Development Investment Networking Session held and report submitted to Council	1		KPI was removed during the revised SDBIP						
45	Number of projects with business plans developed from the LED Strategy	1		KPI was removed during the revised SDBIP						
ADMINISTRATIVE SUPPORT										
46	Number of Council Resolutions outstanding for the LED Unit	10	0 (zero)	List of outstanding Council Resolutions	0	0		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY											
DEPARTMENT OF BUDGET AND TREASURY											
REVISED HIGH- LEVEL 2024/2025											
KPA 4: Municipal Financial Viability and Management											
Strategic Objective										TO PROVIDE SOUND FINANCIAL MANAGEMENT AND COMPLIANCE TO LEGISLATION	
KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates	
47	Number of Revenue Enhancement Committee meetings held	4	4	Minutes and Attendance register	4	4		Achieved	None	None	
48	Percentage of quarterly revenue collected	39%	50%	Collection rate reports	39%	36%		Not Achieved	Due to interruption by the community the credit control policy was inadequately implemented	To educate community to pay the services rendered and the notice will be issued to remind customers to pay.	
49	Number of Revenue Enhancement Strategies approved	0	1	Approved 2024/25 Revenue Enhancement Strategy, Council Resolution	0	1		Achieved	None	None	
EXPENDITURE											
51	Number of reports on Investment Register	12 monthly reports	4	Reports on Investment register signed off by CFO	12 monthly reports	4		Achieved	None	None	
52	Number of Expenditure reports on Staff Benefits submitted to Council	4	4	Section 52 report	4	4		Achieved	None	None	
SUPPLY CHAIN											
53	Number of procurement plan for 2024/2025 developed and approved by 30 June 2024	1	1	Approved 2023/24 procurement plan	1	1		Achieved	None	None	
54	Number of quarterly SCM reports submitted to the Executive Mayor within 30 days after end of each quarter	4	4	Quarterly SCM reports and acknowledgement of Executive Mayor's office	4	4		Achieved	None	None	

KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
SUPPLY CHAIN										
55	Number of quarterly reports submitted to Council on the Deviations to the Supply Chain Management Policy within 30 days after the end of each quarter	4	4	Council Resolution	4	4		Achieved	None	None
56	Number of quarterly reports submitted to Council on Unauthorised, Irregular, Fruitless and Wasteful expenditure within 30 days after the end of each quarter	4	4	Council Resolution	4	4		Achieved	None	None
57	Percentage of Tenders awarded within 90 days from closing date	100%	100%	Closing register and appointment letters	100%	100%		Achieved	None	None
BUDGET / ASSETS & TREASURY(BTO)										
58	Number of Quarterly Section 52 reports submitted to Council	4	4	4 x Section 52 reports to Council.	4	4		Achieved	None	None
59	Number of DRAFT Capital- and Operational budgets for 2025/26 approved by 31 March 2025	1	1	Council resolution for approval of draft budget 90 days before the beginning of the new financial year	1	1		Achieved	None	None
60	Approval of FINAL MTRRF Budget for 2025/26 by the 31st May 2025	1	1	Approved MTRRF Budget and Council resolution	1	1		Achieved	None	None
61	Number of Adjustment budgets for 2024/25 approved by Council on or before 28 February	1	1	Council Resolution.	1	1		Achieved	None	None
62	Section 72 (midyear) MFMA report submitted to Executive Mayor by 25 January 2025	1	1	Section 72 (midyear) MFMA report and acknowledgement of Executive Mayor's office	1	1		Achieved	None	None
63	Number of reports on Financial Ratios for 2023/24 submitted to Council	1	1	Report on Financial ratios and Council Resolution	1	1		Achieved	None	None
64	Percentage spent on Financial Management Grant (FMG) by 30 June 2025	100%	100%	Expenditure progress report	100%	100%		Achieved	None	None
65	Number of Moveable Asset verifications done	4%	4%	Asset verification report	4%	4		Achieved	None	None

KPI IDs	KPI	Baseline 2023/24	REVISIED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
BUDGET / ASSETS & TREASURY(BTO)										
66	No of reports submitted on the EMUNI-Monitor Treasury Portal	New KPI	4	Submission report (Joint reporting)	New KPI	4		Achieved	None	None
67	No. of reports submitted on the GOMUNI Treasury Portal	New KPI	4	Submission report S.52 report. Datastrings report Bulk purchases report 3rd Party Payments report	New KPI	4		Achieved	None	None
ADMINISTRATIVE SUPPORT										
68	Number of Budget-related policies to be reviewed	12	12	12 x budget related policies reviewed. Council Resolution	12	12		Achieved	None	None
69	Number of Audit action plans developed for 2023/2024	1	1	Approved Audit Action Plan. Minutes of Audit Committee Meetings	1	1		Achieved	None	None
70	Number of annual financial statements submitted to Auditor General by 31 August 2024	1	1	Acknowledgement of submission to AG	1	1		Achieved	None	None
71	Number of Council Resolutions outstanding for the Department	0	0 (zero)	List of outstanding Council Resolutions	0	0		Achieved	None	None
New KPI	Number of AG Audit findings addressed by 30 June 2025	OPEx		Audit Action Plan progress	16	Not Achieved		Not Achieved	The due date for the action to be implemented overlaps to the new financial year which most of them is 31 August 2025.	The actions will be addressed by the 31 August 2025

ANNUAL PERFORMANCE REPORT 2024/2025 FY

DEPARTMENT OF THE MUNICIPAL MANAGER

REVISED HIGH- LEVEL 2024/2025

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective

Sustain good corporate governance through effective and accountable clean administration

KPI IDs	KPI	Baseline 2023/24	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for achievement over	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates

IDP

193	Number of IDP Review Process Plans	1	1	1 x Approved IDP Review Process Plan 2024/25 and Council Resolution	1	1	Achieved	None	None
194	Number of draft IDP-documents for 2024/25(2025/2026)	1	1	1 x draft IDP document; 2025/2026	1	1	Achieved	None	None
195	Number of IDP Pre- Strategic Planning Session	1	1	1x Pre- Strategic Planning Report	1	1	Achieved	None	None
196	Number of IDP Strategic Planning Session	1	1	1 x Strategic Planning Report	1	1	Achieved	None	None
197	Number of adopted IDP 2024/25 (2025/2026)documents	1	1	1 x IDP adopted for (2025/2026) and Council Resolution	1	1	Achieved	None	None

INTERNAL AUDIT

198	Number of Internal Audit Plans reviewed	1	1	1 x Internal Audit Plan reviewed. Audit Committee minutes.	1	1	Achieved	None	None
199	Number of Internal Audit Charters reviewed	1	1	1 x Reviewed Internal Audit Charter. Audit Committee minutes.	1	1	Achieved	None	None
200	Number of Internal Audit Methodology reviewed	1	1	1 x Reviewed Internal Audit Methodology. Audit Committee minutes.	1	1	Achieved	None	None
201	Number of Audit Committee Charters reviewed	1	1	1 x Reviewed Audit Committee Charter. Audit Committee minutes.	1	1	Achieved	None	None

RISK

202	Number of reports on the Risk Register submitted to the Risk Management Committee	4	4	4 x reports on the Risk Register submitted to the Risk Management Committee	4	2	Not Achieved	The contract of the Risk chairperson lapsed	The municipality is in the process of appointing a new Risk Chairperson
203	Number of reports on the Risk Register submitted to the Risk Management Committee	4	4	KPI was removed during revised SDBIP					

KPI IDs	KPI	Baseline 2022/23	REVISIED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for achievement over	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
RISK										
204	Number of reports on the Risk Register submitted to the Risk Management Committee	4		KPI was removed during revised SDBIP						
	Number of reports on the Risk Register submitted to the Risk Management Committee	4		KPI was removed during revised SDBIP						
	Number of reports on the Risk Register submitted to the Audit Committee	4	4	4 x reports on the Risk Register submitted to the Audit Committee	4	4		Achieved	None	None
205	Number of Risk Management policies to be reviewed	New KPI	1	Risk management policy and Council Resolution	New KPI	1		Achieved	None	None
OFFICE OF THE MUNICIPAL MANAGER										
206	Number of FORMAL performance assessments arranged for the Accounting Officer (Section 54a Manager)	New KPI	2	Confirmation of date and Committee members: Memo from the Office of the Executive Mayor	New KPI	1		Not achieved	Unable to get the panel together on set date	Confirmed that Mid year 2024/2025 performance assessments will take place during in Q1 of the New Financial year 2025/2026
OFFICE OF THE MUNICIPAL MANAGER										
207	Number of draft Annual Reports for 2023/24 submitted to Council by 31 January 2025	1	1	Draft Annual Report. Council resolution	1	1		Achieved	None	None
208	Number of final Annual Reports for 2023/24 submitted to Council by 31 March 2025	1	1	Final Annual Report. Council resolution	1	1		Achieved	None	None
209	Number of Annual Report Process Plans developed and submitted to the Performance Audit Committee	1	1	Annual Report Process Plans developed. Report to the Performance Audit Committee	1	1		Achieved	None	None
210	Number of Oversight reports I.r.o the Annual Report approved by Council	1	1	Council resolution Oversight report	1	1		Achieved	None	None
PERFORMANCE MANAGEMENT										
211	Number of FORMAL performance assessments done for the Accounting Officer (Section 54a Manager)	0	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)	2	1		Not achieved	Unable to get the panel together on set date	Confirmed that Mid year 2024/2025 performance assessments will take place during in Q1 of the New Financial year 2025/2026
212	Percentage of Senior Management's INFORMAL Performance evaluations conducted quarterly.	100%	100%	Quarterly Scorecards for Informal assessments done for Senior Managers	100%	100%		Achieved	None	None

KPI IDs	KPI	Baseline 2022/23	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates
PERFORMANCE MANAGEMENT										
213	Number of FORMAL performance assessments done for Senior Managers (Section 56 Managers)	1	2	Formal Performance Assessments reports for Senior Managers (Section 56 Managers)	1	2		Achieved	None	None
214	Number of quarterly Institutional Performance report submitted to council	4	4	4x Quarterly Institutional Performance Report and council resolution	4	4		Achieved	None	None
215	Number of Final 2025/2026 SDBIPs approved by Executive Mayor within 28 days after approval of Budget	1	1	Approved and signed SDBIP	1	1		Achieved	None	None
216	Number of Revised 2024/2025 SDBIPs approved by Council	1	1	Approved Revised SDBIP and Council Resolution	1	1		Achieved	None	None
WARD COMMITTEES										
217	Number of Reports on Ward Committee meetings held and submitted to Council	4	4	4 x Reports on issues raised in Ward Committee Meetings Council Resolutions	4	4		Achieved	None	None
218	Number of Public Participation Annual Plans submitted and approved by Council	1	1	Public Participation Annual Plan approved by Council	1	1		Achieved	None	None
TRANSVERSAL ISSUES/ HIV / SPORT										
219	Number of Gender Development Strategy to be developed and submitted to Council	NEW KPI	1	Gender Development Strategy Council Resolution	New KPI	1		Achieved	None	None
220	Number of LAC Annual Plans developed and submitted to the LAC Committee	NEW KPI	1	LAC Annual Plan. Minutes and attendance register of LAC Committee meeting	New KPI	1		Achieved	None	None
221	Number of GBV Policies to be developed and submitted to Council	NEW KPI	1	GBV Policy and Council Resolution	New KPI	1		Achieved	None	None
ADMINISTRATION SUPPORT										
222	Number of Council Resolutions outstanding for the Department	2	0 (zero)	List of outstanding Council Resolutions	2	0		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY										
DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES										
REVISED HIGH- LEVEL 2024/2025										
KPA 6: SPATIAL PLANNING										
Strategic Objective									Plan and Develop integrated and sustainable human settlement and rural areas	
KPI IDs	KPI	Baseline 2022/23	REVISED ANNUAL TARGET 2024/2025	POE	PRIOR YEAR'S PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
SPATIAL PLANNING										
252	Number of reports to Council on compliance to Building Regulations quarterly	1	4	4 x reports to Council on compliance to Building Regulations. Council Resolutions	1	4		Achieved	None	None
253	Number of Reports to Council of alienated municipal sites	18	20	Reports submitted to Council on alienated municipal sites	18	20	Other report were referred back need to be resubmitted to council for consideration	Over Achieved	None	None
ADMINISTRATION SUPPORT										
254	Number of Council Resolutions outstanding for the Planning Unit	10	0 (zero)	List of outstanding Council Resolutions	10	5		Not Achieved	It was submitted to council and was referred	To be submitted in the next council meeting

ANNUAL PERFORMANCE REPORT 2024/2025 FY											
DEPARTMENT CORPORATE SERVICES											
KPA 1: Municipal Transformation & Institutional Development											
KPI ID#	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
ADMINISTRATION											
107	Number of Portfolio Committee Meeting agendas prepared	44	44	Simple count	Portfolio Committee Agendas	44	46	More finance meetings were held for the draft budget to be approved	Over Achieved	None	None
108	Number of Mayoral Committee Meeting agendas prepared	14	11	Simple count	Mayoral Committee Agendas prepared	14	11		Achieved	None	None
109	Number of Council Meeting agendas prepared	19	4	Simple count	Council Agendas	19	14	More Special Council meetings were arranged due to necessity of MfG spendings	Over Achieved	None	None
RECORDS											
110	Percentage of complaints/queries registered	100%	100%	Number of registered over the complain received	Register on complaints registered within 24 hours.	100%	100%		Achieved	None	None
111	Number of reports on customer complaints/queries attended to and signed off by DCS	12	12	Simple count	12 x Reports on customer complaints/queries attended to and signed off by DCS	12	12		Achieved	None	None
LEGAL											
112	Number of reports on incoming mail retered by records section	12	12	Simple count	12 x reports on incoming mail registered on the MUNADMIN system signed off by DCS	12	12		Not Achieve	The contractor of the service provider expired	The indicator will be restuctured in the next financial year
113	Number of reports on Records Management submitted to DCS	12	12	Simple count	12 x reports Records Management signed off by DCS	12	12		Achieved	None	None
IT											
114	Number of IT Steering Committee meetings held	3	4	Simple count	Minutes and Attendance Registers	3	4		Achieved	None	None
115	Number of reports on ICT/IT queries registered daily and signed off by DCS	12	12	Simple count	Register of queries, Jobcards, and monthly reports	12	12		Achieved	None	None

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PIOA YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
LEGAL											
116	Percentage of Performance Agreements signed by MH and Directors one month after the beginning of the FY	100%	100%	Performance agreement crafted over the performance	100% of signed performance agreements of senior managers	100%	100%		Achieved	None	None
117	Percentage of Performance Agreements signed by Middle Managers	NEW KPI	100%	Performance agreement signed over the performance	100% of signed performance agreements of Middle Managers	NEW KPI	100%		Achieved	None	None
118	Percentage of litigation cases captured in Litigation Register	100%	100%	Number of litigation captured over the litigation received	Litigation Register signed off by Man: Legal and DCS	100%	100%		Achieved	None	None
119	Number of Policy- and By-law Committee Agendas prepared	6	4	Simple count	Agendas prepared	6	6		Achieved	None	None
120	Number of NEW Service Level Agreements drafted and signed for all new Infrastructure Projects	NEW KPI	13	Simple count	Copies of Signed Service Level Agreements	New KPI	13		Not Achieved	The service agreement received was 11 for the 2024/2025	The target will be achieved in the next financial year
HUMAN RESOURCES											
121	Number of skills audits conducted for staff members	2	1	Simple count	Attendance Register and registration forms	2	1		Achieved	None	None
122	Number of training programmes attended by Municipal staff	30	30	Simple count	Attendance registers and registration forms	30	23		Not Achieved	Budget constrains	Improvement of municipal finance it will be achieved in the next financial year
123	Number of reports submitted to DCS on the Implementation of the Organisational Structure	10	9	Simple count	Reports submitted to Director Corporate Services	10	9		Achieved	None	None
124	Number of termination reports submitted to DCS.	12	12	Simple count	12 x Termination reports submitted to DCS	12	12		Achieved	None	None
125	Number of HRD Committee Meetings held	4	4	Simple count	Minutes and Attendance registers	4	4		Achieved	None	None
126	Number of training programmes arranged and attended by Councilors	8	10	Simple count	Attendance registers and registration forms	8	11		Achieved	None	None
LABOUR RELATIONS & OHS											
127	Number of reports on Labour Relations sent to Portfolio Committee	12	11	Simple count	Reports submitted to Portfolio Committee	12	11		Achieved	None	None
128	Number of LLF Meetings held.	7	4	Simple count	Minutes and Attendance registers	7	8	It was due the special meeting concerning labour issues	Over Achieved	None	None
129	Number of OHS Committee meetings prepared	2	4	Simple count	Minutes and Attendance registers	2	4		Achieved	None	None

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET	Method of Calculation	POE	PRIOH YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
LABOUR RELATIONS & OHS											
130	Number of OHS inspection reports conducted.	11	11	Simple count	Monthly inspection reports	11	11		Achieved	None	None
131	Number of reports on Injuries on duty submitted to DCS	11	11	Simple count	4 x I.O.D. reports submitted to DCS	11	11		Achieved	None	None
COMMUNICATION											
132	Number of Specifications submitted for printing of calendars for the year 2025	1			KPI removed during revised SDBIP						
133	Number of calendars printed and distributed for the year 2025	N/A			KPI removed during revised SDBIP						
134	Number of specifications for publication submitted	1			KPI removed during revised SDBIP						
135	Number of Publications printed	N/A			KPI removed during revised SDBIP						
136	Percentage of branding of Municipal events	100%	100%	No. of event organised over the event handled	Photos of branded events	100%	100%		Achieved	None	None
137	Percentage of branding of Municipal vehicles	100%	100%	No. of vehicles received over vehicles branded	Photos of branded vehicles	100%	100%		Achieved	None	None
138	Percentage of notices/ adverts etc. uploaded on the Municipal Facebook Page	100%	100%	No. of notice uploaded over notice received	Photo's of notices / adverts etc. uploaded on the Municipal Facebook page.	100%	100%		Achieved	None	None
139	Percentage of notices/ adverts etc. uploaded on the Municipal Website	100%	100%	No. of notice uploaded over notice received	Photo's of notices / adverts etc. uploaded on the Municipal Website.	100%	100%		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY

DEPARTMENT INFRASTRUCTURE - AND TECHNICAL SERVICES

REVISED OPERATIONAL -LEVEL 2024/2025

KPA 2: BASIC SERVICE DELIVERY

KPI ID#	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates
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140	Number of specifications submitted to SCM in terms of Capital Projects for 2024/25	10	10	Simple count	10 x specifications submitted to SCM in terms of Capital Projects	10	10	Achieved	None	None	None
141	Number of Progress reports submitted to Portfolio Committee i.t.o. Capital Projects	11	11	Simple count	Progress reports submitted to Portfolio Committee i.t.o. Capital Projects	11	11	Achieved	None	None	None
142	Number of monthly project expenditure reports to be submitted to COGTA by the 10th of each month	12	12	Simple count	12 x expenditure reports submitted to COGTA by the 10th of each month.	12	12	Achieved	None	None	None
143	Number of monthly project expenditure reports to be submitted to DWS by the 10th of each month	NEW KPI	12	Simple count	12 x expenditure reports submitted to DWS by the 10th of each month.	New KPI	12	Achieved	None	None	None
144	Number of monthly project expenditure reports to be submitted to DMRE by the 10th of each month	NEW KPI	12	Simple count	12 x expenditure reports submitted to DMRE by the 10th of each month.	New KPI	12	Achieved	None	None	None

ACCESS TO BASIC SERVICES: WATER AND SANITATION											
145	Percentage of drinking water samples complying to SAN241: 2015 within Dr Pixley Ka Isaka Seme Local Municipality	600	100%	No. sample qualified taken to laboratory the no. of total sample with SANS 241 over Water sample results that qualify with SANS 241 from the laboratory	Water sample results from the laboratory	600	92%	Not Achieved	Usage of granular HTH and tablets as disinfected through last in portable water through distribution.	Disinfect constant dosing system.	None
146	Number of Kiloliters of free water supplied by Water Tanker to rural areas and areas affected by water supply interruption	30 000	30 000	Simple count	Spreadsheets / register with volumes recorded and listing of areas	30 000	32 640	Achieved	None	None	None
147	Percentage of reported and maintained water meters within Dr Pixey Ka Isaka Seme Local Municipality	400	100%	No. of water meter maintained over the no. of water meter reported	Job cards signed off by the Manager: Water & Sanitation indicating the calculations made.	100%	100%	Achieved	None	None	None
148	Number of Megaliters of water supplied to the Community	4 500	4 200	Simple count	Monthly reading/register with volumes recorded and listing of venues/areas supplied	4 500	5465,102	The Treatments plants have been installed with new meters , therefore correct readings	Over Achieved	None	None

KPI ID#	KPI	Baseline 2023 / 2024	REVISIED ANNUAL TARGET	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates
ACCESS TO BASIC SERVICES: WATER AND SANITATION											
149	Percentage of reported burst water pipes attended to within 24 hours	100%	100%	No. of burst pipes attended within 24hr over the no. of burst pipe reported	Complaint register and job cards	100%	100%		Achieved	None	None
150	Percentage of reported sewer blockages attended to within 24 hours	100%	100%	No. of sewer blockage attended within 24hr over the no. of sewer blockage reported	Complaint register and job cards	100%	100%		Achieved	None	None
PUBLIC WORKS											
151	Number of kilometers of gravel roads maintained in all admin units	232km	200	Simple count	Jobcards signed off by supervisor and manager.	232km	236,09km	The municipality received support in a form of pothole bags from DPWJ	Over Achieved	None	None
152	m² of potholes patched in Volksrust, Wakarusa, Amersfoort, Perdekop	39 000m²	6000	Simple count	Jobcards signed off by supervisor and manager.	39 000m²	5963,7m²		Achieved	None	None
153	Number of traffic signs to be maintained in all Wards	200	200	Simple count	Jobcards signed off by supervisor and manager.	200	141		Achieved	None	None
154	Km's of roads marked	70	80	Simple count	Jobcards signed off by supervisor and manager.	70	80,7km		Achieved	None	None
155	Number of parking bays painted	415	400	Simple count	Jobcards signed off by supervisor and manager.	415	400		Achieved	None	None
156	Number of intersections painted	60	60	Simple count	Jobcards signed off by supervisor and manager.	60	61		Achieved	None	None
157	Number of Stormwater pipes cleaned	17	16	Simple count	Jobcards signed off by supervisor and manager.	17	17		Achieved	None	None
ELECTRICAL SERVICES											
158	Number of High Mast lights to be maintained in all Admin Units	60	60	Simple count	Job cards signed off by Manager Electrical	60	60		Achieved	None	None
159	Number of electricity meters inspected for tempering	240	240	Simple count	Job cards signed off by Manager Electrical	240	240		Achieved	None	None
160	Number of streetlights to be repaired in all admin units	1200	1200	Simple count	Job cards signed off by Manager Electrical	1200	1175		Not Achieved	Thereer were budget constraints	It will be achieved in the next FY , also additional funding
MECHANICAL WORKSHOP											
161	Number of vehicle maintenance reports signed off by Director	12	12	Simple count	12 x Vehicle maintenance reports signed off by Director	12	12		Achieved	None	None
162	Percentage of municipal fleet breakdowns attended to within 14 working days	100%	100%	Simple count	Signed Workshop Form stipulating time-frame	100%	100%		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY

DEPARTMENT COMMUNITY SERVICES

REVISED OPERATIONAL -LEVEL 2024/2025

KPA 2: BASIC SERVICE DELIVERY

KPI ID#	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
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163	Number of waste loads collected per annum, in all Admin Units Wards 1 - 8, skippy bins & dropped off at the Landfill site	5000	5 000		Monthly street cleaning schedules for all Administrative units signed by supervisor, Manager and Director	5000	5000		Achieved	None	None
164	Number of days for Street cleaning of in all admin units per annum	251	251		Monthly street cleaning schedules for all Administrative units signed by supervisor, Manager and Director	251	251		Achieved	None	None
165	Number of Cleaning Campaigns/waste management programmes developed and implemented	8	6		4 x reports for Cleaning Campaign/Waste Management Programme. Photographs. Attendance Register	8	6		Achieved	None	None
166	Number of weeks cemetery sites are maintained per annum in all administration units	52	52		Signed-off maintenance schedules including activities performed	52	53		Achieved	None	None
167	Percentage of paid and free bookings for community halls processed	100%	100%		Register kept for paid bookings. Monthly reports signed off by Director	100%	100%		Achieved	None	None
168	Number of days of Cleaning offices and community halls (Monday to Friday excluding public holidays)	251	251		Monthly cleaning schedules for all Administrative units signed by supervisor, Manager and Director	251	251		Achieved	None	None
169	Percentage of registered complaints for Building & Maintenance attended to	100%	100%		Maintenance schedule signed off by the supervisor, Manager and Director	100%	100%		Achieved	None	None

KPI ID#	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
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SOCIAL DEVELOPMENT SERVICES

170	Number of Skippy bins offloaded in business areas per annum	900	250		Collection schedule signed off by the supervisor, Manager and Director	900	1063	It was coursed by the compains that it was conducted out of the approved plan	Over Achieved	None	None
171	Number of times illegal dumps cleared per year in all Admin. units	900	600		Cleaning and maintaining 900 illegal dump sites per annum in all admin units excluding Daggaakraal	900	600		Achieved	None	None
172	Percentage of Parks & Open spaces Maintenance done per annum	100%	100%		Maintanance schedule signed off by the supervisor, Manager and Director	100%	100%		Achieved	None	None
173	Number of weeks that solid waste are dozed off to the open cells at landfill site (Once per week)	34		KPI Removed during revised SDBIP							

EPWP

174	Number of EPWP 1YH reports submitted to the NDPWI	12	12		12 signed reports submitted to NDPWI	12	12		Achieved	None	None
175	Number of quarterly reports submitted to NDPWI	4	4		Quarterly reports submitted to NDPWI	4	4		Achieved	None	None
176	Number of annual reports submitted to the NDPWI	1	1		1 signed memo submitted to AO and NDPWI 1 signed annual report submitted to NDPWI	1	1		Achieved	None	None
177	Number of EPWP site reports submitted to Director DCOMS	4			Site repots signed by Director DCOMS	New KPI	4		Achieved	None	None
178	Number of head count reports for community members accessing libraries submitted to the Director Community Services	New KPI	4		Reports submitted to the Director DCOMS	New KPI	5		Achieved	None	None

KPI ID#	KPI	Baseline 2023 / 2024	TARGET ANNUAL TARGET 2024/ 25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
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PUBLIC SAFETY / FIRE & RESCUE AND DISASTER MANAGEMENT

179	Number of awareness campaigns conducted on Fire & Safety	12	12	Simple count	Programmes with stamps or signature	12	12		Achieved	None	None
180	Number of Traffic fines registers prepared	12	12	Simple count	12 x traffic fine registers for all admin. units, signed off by Manager Public Safety	12	12		Achieved	None	None
181	Number of meetings held with Public Safety Section	12	12	Simple count	12 x minutes and attendance registers	12	12		Achieved	None	None
182	Number of Roadblocks conducted in all Admin. Units	60	50	Simple count	Law enforcement programmes. Reports	60	60		Achieved	None	None
183	Number of Municipal locations provided with Security.	280	276	Simple count	Municipal location and Shift rosters of security guards for all areas	280	276		Achieved	None	None
184	Number of speed measuring programmes conducted	36	36	Simple count	Programme/Roster	36	36		Achieved	None	None
185	Number of Community Safety Forum meetings held	4	4	Simple count	4 x minutes of meetings and 4 x attendance registers	4	4		Achieved	None	None
186	Unit Percentage of Fire Breaks done in all Admin.	100%	100%	No. of fire breaks attended over Fire Break planned	Photos and Programmes signed off by the Chief Fire Officer and the Director	100%	100%		Achieved	None	None

FLEET MANAGEMENT

187	Number of reports submitted to the Director on licensing of fleet	12	12	Simple count	Reports signed off by the Fleet Officer, Man: Public Safety	12	12		Achieved	None	None
188	Number of reports on fuel consumption submitted to Director Community Services	12	12	Simple count	12 x reports signed off by the Manager Public Safety	12	12		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY

DEPARTMENT OF THE MUNICIPAL MANAGER

REVISED OPERATIONAL -LEVEL 2024/2025

KPA 3: LOCAL ECONOMIC DEVELOPMENT (LED)

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates
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LOCAL ECONOMIC DEVELOPMENT											
189	Number of programmes developed for value-adding activities relating to primary economic sectors in the municipality submitted to the portfolio committee	NEW KPI	1	Simple count	1 x Portfolio report	New KPI	1		Achieved	None	None
190	Number of programmes developed for promotion of the rural economies and inhabitants	NEW KPI	1	Simple count	1 x Portfolio report	New KPI	1		Achieved	None	None
191	Number of programmes developed to promote local cultures and tourism activities	NEW KPI	1	Simple count	1 x Portfolio report	New KPI	1		Achieved	None	None
192	Number of programmes developed to stimulate the establishment, growth and development of local SMEs in the green economy initiatives	NEW KPI	1	Simple count	1 x Portfolio report	New KPI	1		Achieved	None	None
193	Number of programmes developed to stimulate the establishment, growth and employment through small local business	NEW KPI	1	Simple count	1 x Portfolio report	New KPI	1		Achieved	None	None
194	Number companies/cooperatives registered on CIPC	NEW KPI	12	Simple count	12 x CIPC registration certificates/reports	New KPI	34	Due to the funding that was conducted more people approach the office company registration	Over Achieved	None	None
195	Number of local SMEs and Cooperatives registered on CSD database	NEW KPI	20	Simple count	20 x CSD registration certificates/reports	New KPI	18		Not Achieved	Business people were coming more on updates	The call out will be next financial year
196	Number of local SMEs and Co-operatives updated on CSD database	NEW KPI	20	Simple count	4 x updated SMEs and Cooperatives reports signed by the Manager IDP/LED	New KPI	52	Due to the funding that Department of small business development and small interprice agency	Over Achieved	None	None
197	Number of business licenses approved	NEW KPI	8	Simple count	8 x business license-applications approved	New KPI	13	It was due to the call of National Government	Over Achieved	None	None

KPI IDs	KPI	Baseline 2023/2024	TARGET 2024/25 REVISED ANNUAL	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
LOCAL ECONOMIC DEVELOPMENT											
198	Percentage of recommendations issued for liquor licenses to the Liquor Board	NEW KPI	100%	No. of application attended for applications received, 100% of Liquor license recommended to the Liquor Board	New KPI		3		Not Achieved	No application were received	The indicator will be reworked during the development of the new SDBIP
199	Number of reports on Informal trading permits submitted to Portfolio Committee	NEW KPI	4	Simple count	New KPI		2		Not Achieved	Informal trading permits have not been issued therefore due to absence of LED Manager to sign the application.	The advert for the Manager position is in progress
200	Number of reports on Informal trading permits renewed, submitted to Portfolio Committee	NEW KPI	4	Simple count	New KPI		2		Not Achieved	Informal trading permits have not been issued therefore due to absence of LED Manager to sign the application.	The advert for the Manager position is in progress

ANNUAL PERFORMANCE REPORT 2024/2025 FY												
DEPARTMENT OF BUDGET AND TREASURY												
REVISED OPERATIONAL -LEVEL 2024/2025												
KPA 4: Municipal Financial Viability and Management												
KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not	Challenges and cause of	Remedial Action and target dates	
201	Percentage spent on operating budget on indigent relief for Free basic services	32%	100%	Budget spent on 12 x monthly reports on indigent relief over allocated budget	12 x monthly reports on basic services	32%	35%		Not Achieved	There was an over budgeting of the Indigent relief,The registration of Indigents is open throughout the FY and makes it difficult to properly budget for the Indigent customers on the FB.	Reverse the KPI in the new Financial Year and consider the revision of the Indigent policy in the 2025/26 FY	
202	Number of billing cycles done of within 25 days after the end of each month	5	12	Simple count	12 x Signed billing reports	5	9		Not Achieved	The additions of the new establishments (Vukuzakhe B) delayed the meter reading submissions and the additions of the new sewerage tariff	Set up new routes and new tariffs prior to the billing date.	
203	Number of Bank Reconciliations prepared	12	12	Simple count	12 x Bank Reconciliation statements	12	12		Achieved	None	None	
204	Number of Valuation roll/Billing system reconciliations prepared	12	12	Simple count	12 x Valuation Roll reconciliations	12	12		Achieved	None	None	
205	Number of Indigent households registered	2400		Simple count	Indigent Register	0	2685	More program were conducted in all wards	Over Achieved	None	None	
206	Number of disconnection lists submitted to the meter reading company	12	12	Simple count	12x Disconnection list	12	12		Achieved	None	None	
207	Number of reports on monitoring of meter readings captured	12	12	Simple count	12x reports on meter readings captured	12	12		Achieved	None	None	
208	Number of Suspend Vote Reconciliations prepared	12	12	Simple count	12 x Suspend account reconciliations	12	12		Achieved	None	None	
209	Percentage of Clearance costings processed per month	100%	100%	No. of Clearance costings/applcations divided by no of clearance costing processed per month	12 x List of Clearance applications received and 100% clearance costings processed	100%	100%		Achieved	None	None	
210	Number of billing reconciliations done	12	12	Simple count	12 x Billing reconciliations	12	12		Achieved	None	None	

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
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211	Percentage of all accurate creditor's invoices paid within 30 days	80%	80%	No. of invoices received divided by no. of accurate creditor's invoices paid within 30 days	Invoice register, creditors age analysis	80%		Achieved	None	None
212	Number of payroll payments done on the 25th of each month	12	12	Simple count	Payroll printouts indicating payroll payment date	12		Achieved	None	None
213	Number of Creditor's Reconciliations prepared	12	12	Simple count	Creditor's Reconciliation	12		Achieved	None	None
214	Percentage of third party payments done before the 7th of each month	100%	100%	No. of invoices received divided by no. of payments	Ledger print outs indicating the dates of payments	100%		Achieved	None	None
215	Number of Integrations between Payroll and Munsoft	12	12	Simple count	MSCOA Trial Balance	12		Achieved	None	None
216	Number of VAT 201 submissions to SARS by 25th of each month	12	12	Simple count	VAT201 report	12		Achieved	None	None

SUPPLY CHAIN MANAGEMENT

217	Number of quarterly inventory stock counts conducted before end of each quarter	4	4	Simple count	Stock-taking reports	4		Achieved	None	None
218	Percentage of claims reported to the Insurance company monthly	None	100%	No. of claims received divided by no. of claims submitted to the insurance company	E-mail sent to the Insurance Company, Claims Register and Copy of the signed Claim Form	100%		Achieved	None	None
219	Percentage of Tenders closing date awarded within 90 days from	100%		KPI removed during revised SDBIP to HL SDBIP						
220	Number of procurement plan for 2024/2025 developed and approved by 30 June 2024	1		KPI removed during revised SDBIP to HL SDBIP						

New KPI (a)	Percentage of submission of adverts above R30 000 for publication on the website	New KPI	100%	No. of published adverts of RFQ above R30000 over the No. of publication on website	Email to Communication and Advert	New KPI	100%	Achieved	None	None
New KPI(b)	Awards above R30 000 for publication on the website	New KPI	100%	No. of published awards above R30000 over the No. of publication on website	Email and the list of awards	New KPI	100%	Achieved	None	None
221	Number of Reports submitted to the AO on the Implementation of the Municipal Procurement Plan	12	12	Simple count	Report signed off by the Accounting Officer	12		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY											
DEPARTMENT OF THE MUNICIPAL MANAGER											
REVISED OPERATIONAL -LEVEL 2024/2025											
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION											
KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
IDP											
229	Number of IDP / Budget Steering Committee meetings arranged per quarter	4	4	Simple count	4 x Minutes and Attendance Registers of meetings	4	4		Achieved	None	None
230	Number of IDP / Budget Technical Committee meetings arranged per quarter	4	4	Simple count	4 x Minutes and Attendance Registers of meetings	4	4		Achieved	None	None
231	Number of IDP / Budget Rep Forum meetings arranged per quarter	4	4	Simple count	4 x Minutes and Attendance Registers of meetings	4	4		Achieved	None	None
INTERNAL AUDIT											
232	Number of Audit Committee Meetings	7	4	Simple count	Minutes of Audit and Committee Meetings and Attendance Register	7	5		Achieved	None	None
233	Number of Audits performed on the Annual Performance Report	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
234	Number of Audits performed on the Annual Financial Statements	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
235	Number of Audits performed on the 4th Quarter Performance Management	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
236	Number of Audits performed on the 1st Quarter Performance Management	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
237	Number of Audits performed on the 2nd Quarter Performance Management	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
238	Number of Audits performed on the 3rd Quarter Performance Management	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None
239	Number of Audits performed on SCM	NEW KPI	1	Simple count	1 x Report submitted to the Audit Committee. Audit Committee Minutes.	NEW KPI	1		Achieved	None	None

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
RISK MANAGEMENT											
240	Number of Risk Management Committee Meetings	4	4	Simple count	Minutes of Risk Management Committee Meetings and Attendance Register	4	4		Achieved	None	None
241	Number of Risk Registers reviewed and approved	3	1	Simple count	Minutes of Risk Management Committee . Approved Risk register	3	2		Achieved	None	None
242	Number of reviewed Strategic Risk Registers submitted to Council	1	1	Simple count	Council resolution. Strategic Risk Register	1	1		Achieved	None	None
OFFICE OF THE MUNICIPAL MANAGER											
243	Number of draft Annual Reports for 2023/2024 submitted to relevant stakeholders	4	4	Simple count	4 x letters sending off the Annual Report to PT, Legislature, AG and COGTA.	4	4		Achieved	None	None
244	Number of approved Annual Reports with Oversight report for 2023/24 submitted to relevant stakeholders within 7 days after adoption by Council	4	4	Simple count	4 x letters sending off the Oversight report to PT, Legislature, AG and COGTA.	4	4		Achieved	None	None
245	Number of Oversight report adverts placed 7 days after Council approval	1	1	Simple count	Advert on oversight report placed	1	1		Achieved	None	None
PERFORMANCE MANAGEMENT											
246	Number of Performance Audit Committee Meetings held	5	4	Simple count	Minutes of Performance Audit and Committee Meetings and Attendance Register	4	4		Achieved	None	None
247	Number of adverts placed 14 days after approval of SDBIP (Q1) and 1 x advert placed 14 days after approval of the revised SDBIP (Q3)	2	2	Simple count	2 x Adverts of approved and revised SDBIP within 14 days after approval	2	2		Achieved	None	None
248	Percentage of informal Performance Evaluations Conducted Monthly for Managers.	100%	100%	No. of quarterly SDBIP reports submitted with POE's divided by no. of performance evaluations conducted	Copies of Informal Performance Evaluations for Managers	100%	100%		Achieved	None	None
249	Number of monthly SDBIP reports submitted to the Mayor's Committee	12	12	Simple count	Report to Mayor's Committee. 12 x monthly SDBIP reports	12	12		Achieved	None	None

WARD COMMITTEES											
KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of challenges	Remedial Action and target dates
250	Number of Assessment Reports on Ward Committee Operational Plans received from COGTA	4	4	Simple count	4 x Assessment reports from Cogta	4	4		Achieved	None	None
251	Number of MPAC Meetings/agendas prepared	2	4	Simple count	Agenda and Notice of the Meeting	2	4		Achieved	None	None
WARD COMMITTEES											
252	Number of Outreach Programme Plans development submitted to Accounting Officer	NEW KPI	1	Simple count	Outreach Programme Signed by AO	NEW KPI	1		Achieved	None	None
253	Number of reports l.r.o "Out of pocket" Expenses submitted to Manager Expenditure	NEW KPI	12	Simple count	12x reports signed off by Manager Public Participation	NEW KPI	12		Achieved	None	None
254	Number of Ward Operational Plans reviewed and submitted to Council	NEW KPI	11	Simple count	11x Ward Operational Plans. Council resolution	NEW KPI	11		Achieved	None	None
255	Number of Outreach Programmes Implemented	NEW KPI	2	Simple count	Programme and attendance register	NEW KPI	1		Not Achieved	It was late received of confirmation of stakeholders	It was rescheduled to take place on 02 July 2025
TRANSVERSAL ISSUES/ HIV / SPORT											
256	Number of HIV/AIDS programmes supported.	6	2	Simple count	Attendance register of participants of programmes supported by LAC	6	5		Achieved	None	None
256a	Number of GBVF programmes supported	New KPI	4	Simple count	Attendance register of participants of programmes supported by GBVF. Photo's	New KPI	4		Achieved	None	None
257	Number of LAC meeting held	6	4	Simple count	Munities and attendance register of LAC Meetings	6	4		Achieved	None	None

ANNUAL PERFORMANCE REPORT 2024/2025 FY

DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES

REVISED OPERATIONAL -LEVEL 2024/2025

KPA 6: SPATIAL PLANNING

KPI IDs	KPI	Baseline 2023/2024	REVISED ANNUAL TARGET 2024/25	Method of Calculation	POE	PRIOR YEAR'S ACTUAL PERFORMANCE 2023/24	Actual Performance 2024/25	Reason(s) for over achievement	Achieved / Not Achieved	Challenges and cause of	Remedial Action and target dates
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258	Number of reports on Geotech , EIA and rezoning for Vukuzakhe cemetery	New KPI		KPI removed during revised SDBIP							
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259	Percentage of received building plans handled monthly	100%	100%	No. of building plans received divided by no. of building plans handled	Building plans received and handled by the Buildings Inspector	100%	100%		Achieved	None	None
260	Number of sites identified and alienated for Land Development applications	276	200	Simple count	Portfolio reports	276	256	More sites was approved by council	Over Achieved	None	None
261	Percentage of received Land Use applications handled	100%	100%	No of land use application received divided by no. of land use applications handled/ submitted to council	Land Use applications received and handled.Council resolutions, Land Use applications received and attended	100%	100%		Achieved	None	None

12/11/2025

12/11/2025

Municipal Manager



2024/2025

OVERSIGHT REPORT

Annexure "E"

Dr Pixley ka Isaka Seme Local Municipality



**OVERSIGHT REPORT
ON THE 2024/2025
ANNUAL REPORT**

**DR PIXLEY KA
ISAKA SEME
LOCAL
MUNICIPALITY**

**ANNUAL REPORT
OVERSIGHT REPORT
2024/2025**

Content

1. Introduction	p.3
2. Legal Framework.....	p.3
3. 2024/25 Annual Report Consultation and Adoption Process.....	p.7
4. Municipal Public Accounts Committee.....	p.7
5. Oversight Report.....	p.7
6. Matters Discussed by MPAC.....	p.8
7. Conclusion.....	p.8
8. Recommended Resolutions to be adopted by Council.....	p.9

1.

INTRODUCTION

The Annual Report is one of the Key instruments which provide an overview of the process of financial and non-financial performance in respect of the previous financial year which is 2024/25. The Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 requires the Council to adopt an Annual Report.

It is for that purpose that the Final Annual Report 2024/2025 as well as the oversight report on the Annual Report as required by Section 129 of the MFMA is presented to the Council for adoption.

2.

LEGAL FRAMEWORK

The Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 relating to the Annual Report states thus;

121. Preparation and adoption of Annual Report

(1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

(2) The purpose of an annual report is-

- (a) to provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;*
- (b) to provide a report on performance against the budget of the municipality or municipal entity for that financial year; and*
- (c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.*
- (3) The annual report of a municipality must include-*
 - (a) the annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);*
 - (b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;*
 - (c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;*

- (d) *the Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act;*
 - (e) *an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;*
 - (f) *an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;*
 - (g) *particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);*
 - (h) *any explanations that may be necessary to clarify issues in connection with the financial statements;*
 - (i) *any information as determined by the municipality;*
any recommendations of the municipality's audit committee; and
 - (k) *any other information as may be prescribed.*
- (4) The annual report of a municipal entity must include-*
- (a) *the annual financial statements of the entity, as submitted to the Auditor-General for audit in terms of section 126(2);*
 - (b) *the Auditor-General's audit report in terms of section 126(3) on those financial statements;*
 - (c) *an assessment by the entity's accounting officer of any arrears on municipal taxes and service charges;*
 - (d) *an assessment by the entity's accounting officer of the entity's performance against any measurable performance objectives set in terms the service delivery agreement or other agreement between the entity and its parent municipality;*
 - (e) *particulars of any corrective action taken or to be taken in response to issues raised in the audit report referred to in paragraph (b);*
 - (f) *any information as determined by the entity or its parent municipality;*
 - (g) *any recommendations of the audit committee of the entity or of its parent municipality; and*
 - (h) *any other information as may be prescribed.*

127. Submission and tabling of annual reports.

- (1) The accounting officer of a municipal entity must, within six months after the end of a financial year, or on such earlier date as may be agreed between the entity and its parent municipality, submit the entity's annual report for that financial year to the municipal manager of the entity's parent municipality.*
 - (2) The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.*
 - (3) If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must-
promptly submit to the council a written explanation referred to in section 133(1) (a) setting out the reasons for the delay, together with any components of the annual report listed in section 121(3) or (4) that are ready; and*
 - (b) submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.*
 - (4) The Auditor-General may submit the financial statements and audit report-*
 - (a) of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of state, if the mayor fails to comply with subsection (2) or (3); or*
 - (b) of a municipal entity directly to the parent municipality, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of state, if the accounting officer of the entity fails to comply with subsection (1).*
 - (5) Immediately after an annual report is tabled in the council in terms of subsection (2), the accounting officer of the municipality must-*
 - (a) in accordance with section 21A of the Municipal Systems Act-*
 - (i) make public the annual report; and*
 - (ii) invite the local community to submit representations in connection with the annual report; and*
 - (b) submit the annual report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.*
 - (6) Subsection (5), with the necessary modifications as the context may require, and is also applicable if only components of the annual report are tabled in terms of subsection (3).*
- (date of commencement of s. 128: 01 July, 2005)*

129. Oversight reports on annual reports

- (1) The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council-*
- (a) has approved the annual report with or without reservations;*
 - (b) has rejected the annual report ; or*
 - (c) has referred the annual report back for revision of those components that **can** be revised.*
- (2) The accounting officer must-*
- (a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and*
 - (b) submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.*
- (3) The accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection (1) within seven days of its adoption.*
- (4) The National Treasury may issue guidelines on-*
- (a) the manner in which municipal councils should consider annual reports and conduct public hearings; and*
 - (b) the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report.*
- (5) No guidelines issued in terms of subsection (4) are binding on municipal council.*
- (6) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127(3).*

3.

2024/2025 ANNUAL REPORT CONSULTATION & ADOPTION PROCESS

The 2024/2025 Draft Annual Report was tabled to Council on 27 January 2026 reporting on the Municipality's performance for the period 01 July 2024 to 30 June 2025.

The legislation further requires that Council must adopt the financial Annual Report after engaging and consulting with the public within 9 months after the end of the Financial Year, which is before 31 March 2026.

4.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The MPAC was established in terms of section 79 of the Structures Act, 1998 as per Council Resolution A25/2025. One of the terms of reference of the MPAC is to perform oversight over the annual report of the Council and present an oversight report based on the annual report MPAC consists of the following members:

1. Cllr Z G Mbethe (Chairperson)
2. Cllr M Z Sangweni
3. Cllr L Hadebe (resigned as Councillor: resignation date: 21 July 2025)
4. Cllr M S Motha
5. Cllr L de Jager
6. Cllr A F Gangat
7. Cllr C S Dlamini
8. Cllr N S Mncube

5.

OVERSIGHT REPORT

The Oversight Report on the Annual Report is the final stage that Council adopts. The oversight report must include a statement whether the Council:

- Has approved the annual report, with or without reservations,
- Has rejected the annual report, or
- Has referred the annual report back for revision of those components that can be reviewed.

The oversight is a separate product from the annual report, while the annual report is submitted to Council by the Accounting Officer and the Executive Mayor and is part of the process for discharging accountability by the Executive Mayor and Administration for their performance in achieving objective goals set by the Municipality in the Financial Year under review. The Oversight Report follows consideration and consultation on the Annual Report and is considered a report by the Municipal Council.

The draft Annual Report 2024/25 was made public in Municipal, Gert Sibande District Website and advertised in all Municipal Offices and libraries on the 30th January 2026. Members of the Community and other stakeholders were invited to submit written comments/inputs into the Draft Annual Report. It was further submitted to Auditor General, Provincial Treasury and COGTA in accordance with Section 127(5) (b). The closing date for public comments was 19 February 2026. **No submissions from the public or other institutions were received.**

6.

MATTERS DISCUSSED BY MPAC

MPAC, during its meeting on 11 March 2025 considered the 2024/2025 Annual Report and discussed the following aspects:

6.1. Auditor General Report

Dr Pixley ka Isaka Seme Local Municipality received an unqualified audit opinion for the 2024/2025 Financial Year. Opinion: " The financial statements present fairly, in all material respects, the financial position of the Dr Pixley Ka Isaka Seme Local Municipality as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora)."

The number of Audit findings decreased from 70 to 61.

6.2. Annual Performance Report

The committee acknowledged that the Annual Report was prepared in accordance with National Treasury Circular 63.

The Committee noted that the AG could not determine the accuracy of various reported achievements, as indicators were not well defined and could not verify the methods and processes used to measure the achievements. As a result, the reported achievements might be more or less that reported and were not reliable for determining if the targets have been achieved.

6.3. Audit Action Plan

The committee noted that the Action Plan has been prepared using the management report of the Auditor-General report. The committee noted the Audit Action plan and set targets.

7.

Conclusion

As the Chairperson of the MPAC I would like to take this opportunity to sincerely thank all members of MPAC, the Executive Mayor and Mayoral Committee, the Municipal Manager and the Management team as well as the Audit Committee, the Performance Audit Committee and the various contributors to the 2024/25 Annual Report.

The MPAC is satisfied that the 2024/25 Annual Report provides an overview of the process of financial and non-financial performance during the period under review and therefore would like to recommend adoption thereof.

8. Recommended Resolutions to be adopted by Council

1. That the Council takes note of the annual report.
2. The Executive Mayor signs an annual performance agreement with the Municipal Manager to establish clear, measurable service delivery goals aligned with IDP and ensure that performance assessment is conducted.
3. That the Municipal Manager ensure that the performance management systems and related controls are in place as required by section 7 (1) of performance management regulation and ensure that appreciate systems and procedures to monitor, measure and evaluate performance of staff are developed and adopted as required by section 67(1)(d) of the municipal systems Act.
4. That the accounting officer addresses these findings as they haven't been addressed for three consecutive years.
5. That the Audit action plan be submitted to Council quarterly to track its implementation.
6. That the Council approve the annual report **without reservation**.
7. That, Accounting Officer makes a public oversight report within seven days of its adoption in accordance with section 21A of the municipal systems Act.



Cllr Z G Mbethe
Chairperson
Municipal Public Accounts Committee (MPAC)

Date: 11 March 2026

(Annexure E to the Final Annual Report 2024/2025)

