

INXUBA YETHEMBA LOCAL MUNICIPALITY



DRAFT ANNUAL REPORT 2023/24

TABLE OF CONTENTS

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	7
1.1 EXECUTIVE MAYOR'S FOREWORD	7
1.2 MUNICIPAL MANAGER'S FOREWORD	10
1.3 MUNICIPAL OVERVIEW	18
1.3.1 The Municipality at a Glance	18
1.3.2 Municipal Powers and Functions	19
1.3.3 Profile of the Municipality	20
1.3.4 Economic Profile of the Municipality	20
1.3.5 The Municipal Strategic Direction	20
1.3.6 Demographic Profile: Total Population	26
1.3.7 Economy	28
1.3.8 Unemployment	31
1.3.9 Income and Expenditure	32
1.3.10 Human Development Index (HDI) - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010, 2015, 2020 [Number]	36
1.3.11 Poverty	36
1.3.12 Tourism	39
1.3.13 Education	44
1.3.14 Statutory Annual Report Process	45
1.4 ORGANISATIONAL DEVELOPMENT PERFORMANCE	46
1.4.1 Institutional Policy Management and Oversight	46
1.4.1.1 Administrative Policies	46
1.4.2 Service Delivery and Performance Improvement Strategies – Concurrence to Strategic Resolutions of Council	46
1.5 MUNICIPAL FORWARD PLANNING BASELINE ASSESSMENT	48
1.6 MUNICIPAL TURN-AROUND STRATEGY BASED ON MEC IDP ASSESSMENT COMMENTS	51
CHAPTER 2: GOVERNANCE	57
Strategic Overview of Inxuba Yethemba Local Municipality	57
2.1. Council Governance and Management Overview	57
2.1.1 Council Governance and Political Oversight	57
2.1.2 Executive Management	57
2.2 Organisational and Operational Analysis	58
2.3 Preamble to The Municipality's Overarching Strategy	59

2.4 Defining Inxuba Yethemba Overarching Strategy	59
2.5 Strategic Blueprint.....	59
2.6 Legislative Prescripts underpinning the Inxuba Yethemba Municipality Mandate/Strategy	60
COMPONENT A: GOVERNANCE STRUCTURES.....	60
2.7 Political Governance and Political Structures	60
2.7.1 S80 Standing Committees.....	64
2.7.1.1 Composition of Section 80 Committees.....	64
2.7.2 Section 79 Oversight Committees	65
2.7.2.1 Municipal Public Accounts Committee (MPAC)	65
2.7.2.2 Women’s Caucus Committee	69
2.7.2.3 Ethics Committee	69
2.7.2.4 Petitions Committee.....	69
2.7.2.5 Audit Committee.....	69
2.7.2.6 Municipal Disciplinary Committee Board	73
2.7.3 Municipal Annual Calendar	73
2.7.4 Register of Council Resolutions.....	73
2.8 Administrative Governance and Administrative Governance Structures.....	74
COMPONENT B: INTERGOVERNMENTAL RELATIONS.....	76
COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION	78
COMPONENT D: CORPORATE GOVERNANCE	79
2.10 Supply Chain Management	91
2.10.1 Minimum competency requirements Supply Chain Management.....	92
2.11 By-laws.....	92
2.12 Website	92
2.13 Public Satisfaction on Municipal Services.....	92
2.14 Internal Audit Function.....	93
2.14.1 Annual Risk Based Internal Audit Plan.....	93
2.14.2 Risk-Based internal Audit Plan and the 2023/24 Annual Operational Plan Status.....	94
2.14.3 Other Internal Audit Assurance Matters for Attention	99
2.14.4 Highlights from the Audit Committee on Year End and Other Compliance Matters ...	99
CHAPTER 3: SERVICE DELIVERY PERFORMANCE	101
3.1 Focus on Service Delivery	101
3.1.2 Performance Management	101
3.2 INTEGRATED PLANNING AND ECONOMIC DEVELOPMENT	104

3.2.1 HUMAN SETTLEMENTS	105
3.2.2 LED STRATEGY REVIEW	111
3.2.3 PLANNING	112
3.2.4 PROJECTS IMPLEMENTED	112
3.2.4 AGRICULTURE SECTION.....	113
3.2.5 TOURISM	113
3.2.5.1 List of Projects under Tourism for 2023/24.....	113
3.2.5.2 Status Quo on the Implementation of Tourism Projects during the Year 2023/2024	114
3.2.5.2 Repairs of Vusubuntu Roof	114
3.2.5.3 Electrification of Cradock 4 Garden of Remembrance	114
3.2.5.4 Tourism Month 2023/24.....	114
3.2.5.5. Karoo Winter Festival.	115
3.6 Other Cross-cutting Challenges that impact on the Municipal Scorecard.....	115
3.3 COMMUNITY & SOCIAL SERVICES DEPARTMENT	116
3.3.1 PARKS, RECREATIONAL AREAS AND CEMETERIES	116
3.3.2 LIBRARIES	116
3.3.3 WASTE MANAGEMENT	117
3.3.4 REFUSE REMOVAL	117
3.3.5 HIV AIDS COORDINATION	118
3.3.6 ARCHIVES	118
3.3.7 RECORDS MANAGEMENT	118
3.3.8 REGISTRY OFFICE	119
3.3.9 CEMETERIES AND CREMATORIIUMS.....	120
3.3.10 MUNICIPAL PUBLIC TRANSPORT INCLUDING TRAFFIC SERVICES	120
3.3.11 HIGHLIGHTS ON THE 2023/24 DEPARTMENTAL SDBIP PERFORMANCE	122
3.3.12 CHALLENGES impacting on the Departmental Operations	123
3.3.13 IMPROVEMET PLAN	123
3.4 TECHNICAL AND INFRASTRUCTURE SERVICES DEPARTMENT	124
3.4.1 ELECTRICITY SERVICES.....	125
3.4.1.1 Electrical Losses (2023/2024)	125
3.4.2 ROAD TRANSPORT.....	125
3.4.3 STORMWATER	126
3.4.4 SPENDING AGAINST CAPITAL BUDGET.....	127
3.4.5 Strategies, Policies and Plans	128

3.4.6 Infrastructure Backlogs Inherited from 2022/23 Annual Report	128
3.4.7 Highlights of the Department for the 2023/24 Financial Year	129
3.4.8 CHALLENGES	130
3.4.9 DEPARTMENTAL PERFORMANCE IMPROVEMENT MEASURES	130
CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE	131
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL	131
4.1 Introduction	131
4.2 Organizational efficiency and improvement	131
4.3 Staffing in relation to recruitment, selection and appointment.....	131
4.4 Some of the challenges that remain unresolved include:	131
4.5 Employee Totals, Turnover and Vacancies	132
Staff.....	132
4.6. Vacancy Rate	133
COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE	134
4.7 Municipal Policies and By-Laws.....	134
4.8 Summary of Filled and Vacant positions.....	135
4.9 Injuries and Ill-Health 2023/24	135
4.10 Labour Relations	137
4.10.1 Suspensions.....	137
4.11 Performance Rewards	137
COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE.....	138
4.12 SKILLS DEVELOPMENT AND TRAINING	138
COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE	139
4.13 EMPLOYEE EXPENDITURE	139
4.13.1 Highlights of the Section for the 2023/24 financial period	141
4.13.2 CHALLENGES AROUND SKILLS DEVELOPMENT.....	142
4.14 CASCADING OF INDIVIDUAL PERFORMANCE MANAGEMENT TO LOWER LEVELS	142
4.15 HOUSEKEEPING AND AUXILIARY SERVICES.....	142
4.16 COMMITTEES.....	144
4.17 EMPLOYEE ASSISTANCE AND WELLNESS PROGRAMME	144
CHAPTER 5: FINANCIAL PERFORMANCE	146
5.1 Introduction	146
COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE (AUDITED AFS)	146
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET	147

COMPONENT D: OTHER FAINANCIAL MATTERS OF SIGNIFICANCE	149
5.2 Analysis of UIFWE	149
5.3 Analysis of Contingencies	149
5.4 Overview/Independent Analysis of the Financial Results	151
5.5 Independent Analysis of Expenditure: Challenges and Improvement Plan	153
CHAPTER 6: AUDITOR GENERAL FINDINGS	157
6.1 Action Plan (2023/2024 FY) Overall Implementation Status	157
6.2 Audit results per outcome area	157
6.3 Achievement of planned Performance targets – Performance Information (2023/24)...	159
ANNEXURES	160
Annexure A- 2.7 THREE YEAR CAPITAL PLAN (3YCP).....	161
ANNEXURE B: COUNCIL APPROVED POLICIES – 2023/24	165
ANNEXURE C: FILLED POSISTIONS – 2023/24.....	168
ANNEXURE D: DETAILED MUNICIPAL PERFORMANCE – 2023/24 (APR).....	178
ANNEXURE E: 2023/24C AUDIT REPORT	
ANNEXURE F: 2023/24 AUDITED AFS	
ANNEXURE G 2023/24 AUDIT ACTION PLAN	

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

1.1 EXECUTIVE MAYOR'S FOREWORD

It is with great pleasure and a sense of responsibility that I present to you the Draft Annual Report for the Inxuba Yethemba Municipality for the period 2023-2024. This report will outline our performance on the pre-determined objectives as set out in the Integrated Development Plan and the Service Delivery and Budget Implementation Plan (SDBIP). As we reflect on the past year, we find ourselves at a crossroads of progress, challenges, and unwavering commitment to our residents. This Draft Annual Report is a build-up of a testament to our collective journey, a reflection of the challenges we have faced, and a roadmap to the future we are building together as we approach the third of the five years of the Council Term...

Mandate and Obligations:

In the dynamic tapestry of South Africa, municipalities play a crucial role in the daily lives of citizens. Inxuba Yethemba Municipality, entrusted with the responsibility of roads, electrical distribution, community services, and local economic development, is guided by a steadfast commitment to meet the diverse needs of our community. While we are not directly responsible for water services, our mandate is to ensure a holistic and sustainable quality of life for every resident

Over the next five years of being Council, we committed ourselves to services delivery excellence we shall be measured on the following **Outcomes**:

- a) Our ability to meet the growing needs of its residents through rendering quality basic services,
 - b) Facilitating economic development
 - c) Fiscal discipline
 - d) Ensuring that it governs effectively and facilitating growth in the municipality.
- Employee satisfaction

It Is Council's Commitment to constantly engage with all the people of the Municipality. As such the Process Plan made provision for Communities to participate throughout the various planning phases including the development of the IDP. The key Strategic Outcomes to the Public Participation Sessions included the following:

- Identification of the real needs of all communities in the Inxuba Yethemba
 - Prioritization of such needs and development challenges
 - Collective development of appropriate solutions to address such needs
 - Empowerment of the local communities to take ownership for their own development
- the IDP roadshows were held between September and November 2023 in clustered sessions, including a cluster with traditional councils, ward committees, stakeholders and communities at large.

Over and above the physical meetings a mayoral address to the general public and stakeholders was rolled out through different media platform including local community radio Vukani FM,

Overall assessment of this year's priorities based on the common issues raised by majority of community members across the clusters, shows that the following are still major concerns as raised in 2023/2024 IDP roadshows. Needs as presented below are not in order of priority, but as per frequency of requests across clusters:

- Jobs
- Houses
- Roads
- Water
- Electricity (High Mast Lights)
- Skills Development
- Sports Grounds
- SMME Support
- Bursaries
- Community Halls

Our unwavering commitment to service delivery to our people continues to be underpinned by the following:

Service to the Residents:

Our primary focus remains the well-being of our residents. The services we provide are the backbone of community development, enhancing the living standards of every individual. This report reflects our dedication to fulfilling our mandate and contributing to the growth and prosperity of our community.

Teamwork and Excellence:

None of our achievements would be possible without the unwavering dedication of our teams. Our municipality thrives on the synergy of our employees working cohesively to overcome challenges and improve services. I commend our staff for their tireless efforts and motivation in the face of adversity.

Raising the Bar on Performance:

Our commitment to excellence is evident in the maintenance of favourable audit outcomes and notable improvements in performance information audits, a testament to responsible financial management and unwavering commitment to ethical governance. We upgraded roads and community centres, creating hubs for opportunity and connection. We fostered local economic development initiatives, nurturing small businesses and unlocking new possibilities for our people. As a municipality, we recognize the need to continually raise the bar on our performance to meet the evolving needs of our community.

Current Challenges:

We acknowledge the challenges posed by frequent electrical power cuts which the whole country is currently facing, revenue collection hurdles in a small municipality, and the strain imposed by aging infrastructure. These challenges continue to demand our undivided attention, improved strategic planning and collaborative efforts to find sustainable solutions. In the face of challenges, we are resolute in our commitment to addressing the needs of our community. Significant strides have been made in improving road infrastructure and community centres, laying the groundwork for a more connected and vibrant municipality. The

limited resources. This is to ensure sustainability in our infrastructure as it is the catalyst for Economic Development in this region that has the N10 corridor.

Our dedication to tourism remains unwavering, recognizing its potential as a catalyst for economic growth and community development.

Conclusion:

In conclusion, the Annual Report for 2023-2024 reflects our journey towards progress, the challenges we face, and the collective determination to build a better future for all. As we navigate the path ahead, let us unite in our shared vision for Inxuba Yethemba Municipality that thrives, prospers, and stands as a beacon of excellence in South Africa.

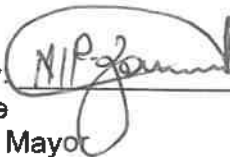
By way of reflecting retrospectively, in 2021, the 5-Year Council Strategic Plan committed to the new approach in accepting the key role to facilitate cooperative governance, providing clear paradigm shift and indicators towards implementing the new approach in delivery of services as a Council mandate. Further, it gave detail of the Municipal Strategic Interventions and specific actions with five year targets for Strategic Objectives and Goals.

With the Council approaching the end of the 3rd year of the 5 years of its Mandate, the institution is seriously considering to evaluate the extent to which it has succeeded in achieving each of the strategic goals and objectives set at the beginning of the five-year period, as well as on any other evaluations conducted during the period.

To give effect to this requirement, the Municipality proactively would like to get early warning signals which will test whether the current programmes and projects will indeed to date have assisted the Council to achieve its strategic objectives and goals as set on the five-year strategic agenda.

Yours sincerely,

Signed by
N P Zonke
Executive Mayor

A handwritten signature in black ink, appearing to read 'N P Zonke', is written over a horizontal line. The signature is stylized with a large loop at the end.

1.2 MUNICIPAL MANAGER'S FOREWORD

The 2023/24 annual report, prepared in terms of section 46 of the municipal systems act, 2000 (act no. 32 of 2000), reflects on activities executed during the financial year and provide an update on key areas that were planned to bring about the development of the Inxuba Yethemba Municipality, in line with the provisions of section 152 of RSA constitution (1996) and the white paper on local government (1998).

In the quest for optimal performance, we put in place fully fledged departments directed by capable directors for financial services, corporate services, community services, infrastructural services, integrated planning and economic development.

Our two primary challenges of Financial Viability and Service Delivery are interdependent and have a direct bearing on each other. It is increasingly evident that our cost – containment measures are not yielding the desired outcomes, and this is negatively impacting on Service Delivery.

In the same breath, the Municipality needs to conduct a serious analysis of all major cost drivers with a view to restoring financial sustainability. This is in line with the assessment of the Current ratio that has raised a concern around the doubt on ability to meet our short term obligations. This is majorly attributable to the Eskom Debt heaving weighing of the resources as an outflow and a major part of the creditors at hand. The same effect of the Non-cash items that are not cash-backed (Depreciation, Provision for Debt Impairments) has also seen the Municipality still faced with a Deficit on the Statement of Performance, however financially stable as per the Cash Reserves.

We are unable to meet the needs of our communities as per our aspirations of the IDP due to grant dependency. Our grant funding for infrastructure and therefore economic development is very inadequate, with our repairs and maintenance also still a challenge in terms of the existing infrastructure and backlogs. Our ageing infrastructure needs urgent attention towards ensuring building reserves that are cash-backed for assets that are moving towards being fully depreciated.

Nevertheless, we extend a hearty appreciation to those customers who continue to pay for services, albeit the economic challenges. We also set ourselves a target of 100% on capital expenditure but as at the end of the financial year there was a Roll-over of R 3 290 481 for Disaster funding received whose spending cuts across two financial periods, hence the roll-over to 2024/25 as reflected in the Annual Financial Statements as Unspent Conditional Grant.. The Municipality in trying to restore its financial stability and a muscle to deliver services, has since set up a Committee on revenue management with terms of reference in place. Operationally, in the last three consecutive years, the municipality received the same audit outcomes 2023/24: unqualified audit opinion with findings; 2022/23: unqualified audit with findings; 2021/22: unqualified audit opinion with findings). Attributable to the unqualified audits are stringent financial management, effective and efficient internal audit activity, working in conjunction with performance management and enterprise risk management to provide combined assurance. The favourable audit outcomes are also a result of functional oversight structures; namely audit, enterprise risk management and municipal public account committees. As this year end presents another audit, we extend appreciation to the office of the auditor general for inspiring confidence to our communities through annual audits.

Considerable progress has been made around the implementation of the UIFWE Reduction Strategy as the backlog on Unauthorized, Irregular, Fruitless and Wasteful Expenditure has

been dealt with by the MPAC during the financial year, to the extent of Council approving the write off subsequent to the MPAC Investigation Report.

The Municipal Unauthorized, Irregular, Fruitless and Wasteful Expenditure (UIFWE) Reduction Strategy will be updated after the review and opinion of the Auditor General on the UIFWE disclosed in the AFS as at 30 June 2024.

In line with the resolve of the previous Strategic Planning, the Municipality is still committed to an Integrated Audit Improvement Strategy which will put Governance and Assurance as the priorities and pillars, whilst ensuring a resilient and high-performing organization.

Guided by Municipal Systems act 2000, chapter 4 and 5, with embedded culture of participatory governance, Inxuba Yethemba Municipality continues to engage with different segments of the society through various platforms including mainstream media, social media, public meetings, focused groups meetings, IDP and budget roadshows and media alerts. The results were used to measure our previous performance and to develop strategies and plans to enhance current and future performance

The Municipality considers the welfare of its employees as critical, hence ongoing engagements have been started during the year under review in the form of an Employee Satisfaction Survey, Conducting of Recognition of prior Learning and other planned interventions for the next financial period. The Municipality is committed in embracing open and constructive dialogue with the Labor forums and to ensure functionality and effectiveness of such as the LLF, towards having a conducive working environment.

The Municipality is an active participant in the District Development Model and all other Intergovernmental Structures, whose main objective as propagated is to have a one plan and one budget for all sectors of government that perform common functions. At a District level, the municipality participates in the economic sector and infrastructure development cluster and also participate in all other clusters including technical and political hub.

On the aspect of economic development, it gives us pleasure that the Municipality led by IPED is on the drive of attracting direct investment with the Municipality being the key role player as the provider of services and land owner. However, these endeavours are not without challenges; the challenge of congestion due to coal trucks delivering commodity to the port has not been resolved. According to numbers provided, there is a high rate of influx of trucks a month into the municipal area. In the quest to find solutions, we continue talking to all external stakeholders, some of whom we have strategic partnerships. The Municipality continues to work hard in ensuring that ageing infrastructure and facilities are replaced to ensure sustainable supply of basic services, investor confidence and investment attraction initiatives, partnership and collaboration with stakeholders and diversify revenue streams etc. We continue to put all measures in place to ensure that the municipality is sustainable operationally and financially. In conclusion, as the accounting officer, my priority is to ensure that all plans put in place are implemented and the Inxuba Yethemba Municipality grows into a formidable force in Local Government. We shall continue to gear up for effective, efficient and economical administration

The Inter-Governmental Relations Framework where all three spheres of government provide a singular seamless response to the needs of our community strengthens the continuous communication between all three spheres of government. The willingness of organized formations from civil society, business and labor to work together must be appreciated and responded to appropriately.

Whilst the Municipality is not a water-centric entity (neither a water service authority nor provider), it still works very closely with the District Municipality that has this mandate.

The Municipality continues to provide electricity to its communities, with certain percentage of wards falling under its jurisdiction in terms of power supply, however, other the due restriction of the municipality, with the remain, 3 still being serviced by Eskom out of the 9.

Engagements with Eskom will soon be pursued in order to ensure that the Municipality covers 100% in power supply to all the people of this area.

The Municipality tried against all odds to improve its services and the following are Highlights:

No	Details
1	<ul style="list-style-type: none"> The IYM received an unqualified audit opinion with findings from the Auditor General for the 2023/24 Financial Year.
2	<ul style="list-style-type: none"> On the Audit of Predetermined Objectives (AOPO) the IYM received an unqualified audit opinion. This is an improvement from the qualified opinion from the previous financial year. There is still more to do to ensure that in 2023/2024 we improve on the AOPO.
3	<ul style="list-style-type: none"> The CFO position still remains vacant as at the end of the FY
4	<ul style="list-style-type: none"> During the 2023/24 financial year, the IYM developed and approved its Service Delivery Budget Implementation Plan with the aim to give effect to its Integrated Development Plan and Budget.
5	<ul style="list-style-type: none"> The 2023/24 Final Budget has been assessed by National Treasury and remains funded.

Summary/ Highlights of Institutional Performance:

The Annual performance for the Municipality reflects the continued success and resilience of our municipality. Despite facing numerous challenges, we have consistently exceeded the national average of 75% performance, a testament to the dedication and hard work of our team. This year the Municipality managed to achieve 96.75% of the overall in comparison to 94.1% last year which is an improvement of 2.65%

The municipality was able to deliver key infrastructure project including but not limited to the access roads, electricity infrastructure.

The municipality was also able to do electricity connection to households which did not have electricity before.

Job opportunities were also created through the municipality's internship program, the EPWP program and through the implementation of capital projects.

Summary/ Highlights of Institutional Revenue Performance:

Revenue collection has also been a challenge. We have implemented measures to improve our collection rates, such as enhanced billing systems, debt recovery strategies, and community outreach programs. While there is still room for improvement, we have made significant strides in this area. The overall revenue collection as at 30 June 2024 was 92% collection rate in comparison with 80% the last financial year which shows an improvement of 12%.

The municipality recorded R13 million more revenue than budgeted on property rates, this is as a result of the effect of supplementary valuation implemented in June 2024.

Performance on this line item is excellent as it has reached its half yearly target during the 2nd quarter and shows great improvement. The Roll-over of R 3 290 481 for Disaster funding received is due to the fact that the spending timeframe (12 months) for the grant cuts across two financial periods, hence the roll-over to 2024/25 is reflected in the Annual Financial Statements as Unspent Conditional Grant.

Summary/ Highlights of Institutional Risk Management Performance:

While there has been no significant change in the principal risks in the last year, the municipality operates in a dynamic environment where risks continue to evolve and the IYM continues to develop mitigation measures to address them. Emerging risks are considered as part of the risk assessment process and are identified through horizon scanning, continual dialogue with the business units and keeping abreast with changing environment. A summary of emerging risks continue to be monitored as part of the ongoing risk management processes and are presented to the Audit Committee for consideration.

The results of the mitigation actions for strategic and operational risk management processes are incorporated into monthly forecasts for follow up purposes and reported on quarterly. This means that the Audit Committee and Council also have access to an overall picture of the current risk situation via the documented reporting channels during the year.

While the operating risks cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, control systems, and standards of ethical behaviour are applied and managed by predetermined procedures and restraints.

The municipality is stepping up its efforts in ensuring that resources efficiency and control environment are managed effectively for sustainable economic growth to be impactful to society as a whole. The level of cooperation and strong collaboration with both internal and external stakeholders in the local government ecosystem have helped in improving the risk management outlook of the municipality. The valuable support and advisory role of COGTA, Provincial Treasury and CHDM towards monitoring the effective performance of IYM Risk Management Committee is much appreciated.

The following top five risks 2023/24 Top 5 Strategic Risks were identified per key performance area's strategic objectives:

These remain the same as per the Strategic Risk Register as the Municipality is still working on the improvement of the implementation of its Risk Strategy, thus ensuring improve Risk Tolerance by ensuring risk move from high to low in the next financial period.

No	Strategic Objective	Strategic Risk Aligned
1	Basic Service Delivery and Infrastructure	Ageing infrastructure
2	Financial Viability And Management	Low revenue collection
3	Good Governance and Public Participation	Non-compliance with laws and regulations
4	Municipal Transformation and Institutional Development	Inability to attract, retain competent and skilled labor force
5	Local Economic Development	Inability to create sustainable employment.

Summary of Strategic Risk Status of the Institution as per Registers by the end of 2023/24 Q4

Risk Profile	No. Of Mitigation Plans For Q4	Achieved	Partially Achieved	Not Achieved	Percentages Of Achieved Targets
Strategic Risks	4	4	0	0	100%

Summary of Operational Risk Status of the Institution as per Registers by the end of 2023/24 Q4

Directorates	No. Of Mitigation Plans For Q4	Achieved	Partially Achieved	Not Achieved	Percentages Of Achieved Targets
Corporate Services	1	0	0	1	0
Community Services	1	1	0	0	100%
Municipal Manager's Office	9	7	1	1	78%
Technical Services	3	3	0	0	100%
BTO	0	0	0	0	0
IPED	0	0	0	0	0
Occupational health & safety	0	0	0	0	0
Information and Communication Technology	4	0	0	4	0
TOTAL	18	11	1	6	61%

Risks deferred to 2024/25 financial year.

The table below reflects all the risks that could not be mitigated in the current financial year and have been deferred to the 2024/25 financial year due to budget constraints. The risks below will be included in the 2024/25 Risk Registers and will receive priority attention.

Risk Ref.	Risk Description	Actions to improve management of the risk/ Mitigation Plans	Action Owner
SSR	Inability to attract and retain a competent and skilled labour force.	Filling of critical substantive, vacant and funded posts in the organogram be prioritised and staff turnover rate be managed effectively.	Director: Corporate Services
SSR	Inability to ensure sustainable and effective management of financial resources.	Development of an institutional comprehensive revenue enhancement strategy	Chief Financial Officer
CSD	Lack of employment equity plan and process.	Re-establishment of employment equity forum.	Director: Corporate Services
COM	Inability to provide adequate traffic services (vehicle testing services).	Upgrading of the two (2) Vehicle Testing Stations	Director Community Services & Manager: Protection services
COM	Inability to provide adequate efficient pounding services.	Construction of pounds	Director Community Services & Manager: Protection services
COM	Inability to provide efficient maintenance services to facilities.	Motivate for the availability of budget for the purchasing of machinery	Director Community Services
MMO	Ineffective implementation of SPU strategy and policy.	Appointment of a Special Programmes Unit (SPU) Coordinator	Municipal Manager
MMO	Ineffective implementation of public participation strategy and policy.	Develop and implement a petitions policy	Public Participation Officer
MMO	Ineffective internal audit unit and audit committee.	Enhance internal audit capacity (Senior IA & internal auditor).	CAE
ICT	Inability to run weekly data backups.	Develop a Disaster Recovery Policy, Disaster Recovery Strategy and Test Plans, Continuous monitoring of UPS	ICT Manager
ICT	Inability to maintain 95 percent systems uptime.	Continuous monitoring of UPS Performance	ICT Manager
TSD	Electricity Distribution losses	Fencing of substations	Manager: M&E

OHS	Inability to pay COID levies/ contributions.	Request allocation of budget for COID levies from the institution budget and for the payment of COID levies.	Occupational Health and Safety Officer
OHS	Ineffective OHS processes and systems in place.	Training of first aiders	Occupational Health and Safety Officer
BTO	Effective fleet management	Emphasised that Directorates continue to monitor effective fleet maintenance to reduce risks associated with fleet management.	CFO

Summary/ Highlights of 2024 Key Council Strategic Resolutions:

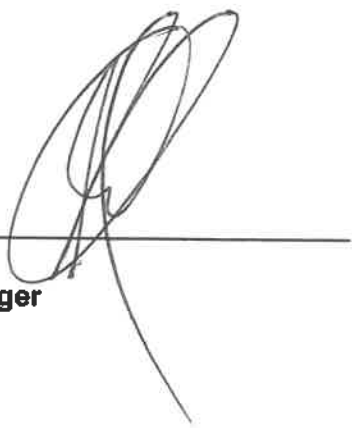
No	Resolution/Activity To Perform	Status Quo
1	<ul style="list-style-type: none"> Resource Mobilization for funding Service Delivery Projects 	In progress
2	<ul style="list-style-type: none"> Conducting a Community Satisfaction Survey as a lobby ahead of the Elections and presenting the Report to the Communities by 30th April 	Pending
3	<ul style="list-style-type: none"> Develop and review all Municipal Policies by the 31st of May to be adopted with the final Budget of the Municipality. 	Completed
4	<ul style="list-style-type: none"> Investigation of the Backlog of the UIFWE 	In progress
5	<ul style="list-style-type: none"> Monitoring the Implementation of UIFWE Strategy 	In progress
6	<ul style="list-style-type: none"> Improve Monitoring of the Implementation of Council Resolutions and the Decision making framework 	In progress
7	<ul style="list-style-type: none"> Improve institutional Transformation through Capacity Development and Employee Engagement 	In progress
8	<ul style="list-style-type: none"> Strengthen the Municipal Attraction and Retention Strategy at the high level whilst embarking on a process of Succession Planning. A specific Program for the Development of Junior Manager or Supervisors must be implemented to achieve these object for Institutional Memory. 	In progress
9	<ul style="list-style-type: none"> Develop a Municipal Turnaround Plan that will facilitate A Change Management Agenda towards the 2027 	Pending

10	<ul style="list-style-type: none"> Strengthen the Audit Outcomes through the Integrated Audit Improvement Strategy 	In progress
11	<ul style="list-style-type: none"> Improvement of Risk Management including the deriving of the benefit of Assurance by all Assurance Providers towards Improved Governance 	Completed
12	<ul style="list-style-type: none"> Radical Political Oversight including Capacity building to MPAC 	In progress

Signed by: _____

MR M.W Mbebe

Municipal Manager

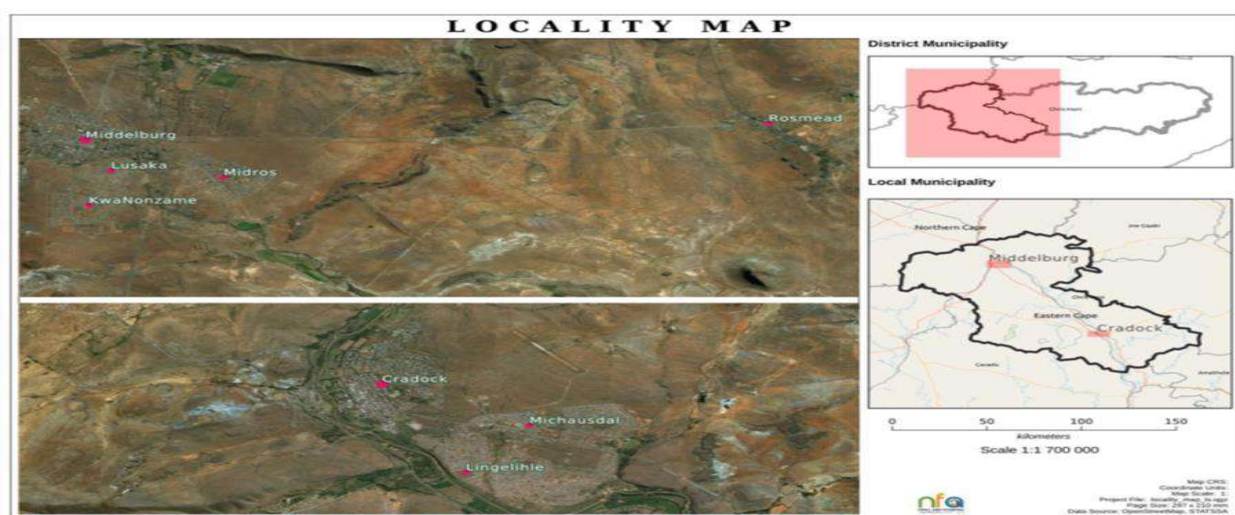


1.3 MUNICIPAL OVERVIEW

1.3.1 The Municipality at a Glance

Inxuba Yethemba Municipality is a Category B Municipality and is situated in the Northern part of the Eastern Cape. The Inxuba Yethemba Municipality (IYM) is made up of two major towns Cradock and Middelburg and is one of the 6 local municipalities situated within Chris Hani District Municipality. In addition, Inxuba Yethemba Municipality is made up of a range of settlements, from urban to municipal service centres, agricultural landscapes, industrial, semi-rural residential settlements and areas that are predominantly rural.

The map below displays the Chris Hani District jurisdiction as well as the Inxuba Yethemba Municipality local coverage...



1.3.1.1 Municipal Vision

A Municipality working together with its citizens to ensure provision of sustainable, equitable and quality services to all.

1.3.1.2 Mission Statement

Inxuba Yethemba Municipality commits itself to good governance, efficient delivery of services, development and retention of its human capital and thus growing the economy of Inxuba Yethemba through:

- Rendering affordable, sustainable services to our communities in a professional manner.
- Utilising all resources transparently.

1.3.1.3 Core Values

- Commitment: Strive to provide quality services that is customer orientated.
- Professionalism: Maintaining a high level of professionalism to our staff and community and enforcing accountability to all.
- Integrity: Maintaining a high ethical and honest conduct at all times.
- Respect: Respect for self and others and serving the public with humility.

1.3.2 Municipal Powers and Functions

In terms of the Municipal Structures Act No. 117 of 1998, the Municipality is a category B Local Municipality which has the following powers and functions through which the performance of the municipality can be assessed in terms of the impact it has to its constituencies and service delivery;

Table 1: Powers and Functions

The functional areas of competence of the Inxuba Yethemba Municipality are indicated in the table below and is the Municipality's authoritative mandate in terms of Section 156 of the South African Constitution, Act 108/1996:

SCHEDULE 4 : PART B	STATUS	SCHEDULE 5 : PART B	STATUS
Air Pollution	N/A	Beaches & Amusement Facilities	N/A
Building Regulations	√	Billboards & display of Advertisements in public places	√
Child Care Facilities	N/A	Cemeteries, Funeral Parlours and Crematoria	√
Electricity & Gas Reticulation	√	Cleansing	√
Fire-fighting Services	√	Control of Public Nuisances	√
Local Tourism	√	Control of undertakings that sell liquor to the public	√
Municipal Airports	N/A	Facilities for the accommodation, care and burial of animals	SPCA
Municipal Planning	√	Fencing and Fences	√
Municipal Health Services (PHC has been provincialized)		Licensing of dogs	
Municipal Public Transport	√	Licensing and control of undertakings that sell food to the public	√
Municipal Public Works	√	Local Amenities	√
Pontoons, ferries, jetties, piers and harbours	N/A	Local Sport Facilities	√
Storm water Management systems in built-up areas	√	Markets	√
Trading Regulations	√	Municipal Abattoirs	√

Water & Sanitation Services (potable water, domestic wastewater & sewage : WSA and WSP)	CHDM	Municipal Parks & Recreation	√
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1.3.3 Profile of the Municipality

The Inxuba Yethemba Local Municipality is a Category B municipality (Area: 11 663km²) located in the Chris Hani District in the Eastern Cape. It is approximately 240km north of Nelson Mandela Metropolitan Municipality and is one of six municipalities in the district, making up a third of its geographical area. Cradock consists of the suburb of Cradock, and the Lingelihle and Michausdal communities, whilst Middelburg has the suburb of Middelburg, with the Kwanonzame Lusaka and Midros communities.

The two urban centres of Cradock and Middelburg are fairly similar, with well-developed CBDs and fair infrastructure. However, a lot of work still needs to be done in the former previously disadvantaged communities.

The rural areas of both towns are mostly commercial farms, with small settlements in the rural areas of Fish River Mortimer and Rosmead.

The N10 National Road, which is the vital economic link between Port Elizabeth and the north, runs through Cradock and skirts Middelburg. The main Cities or Towns in Inxuba Yethemba Local Municipality are Cradock, Middelburg, and Mount Zebra National Park.

1.3.4 Economic Profile of the Municipality

The Municipality's economic sectors comprise of:-

No	Sector
1	Community Services
2	Finance
3	Trade
4	Transport
5	Agriculture
6	Construction
7	And Manufacturing.

1.3.5 The Municipal Strategic Direction

Integrated development planning and its guidelines.

IDP Definition and Context

Integrated planning has been developed as a consolidated municipal wide planning process that provides a framework for planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the national, provincial and local spheres of government.

In addition, the IDP requires community participation and stakeholder involvement. The integrated development planning process is therefore critical for the success of every South African municipality's endeavours to bring about responsive, developmental and accountable local government.

Inxuba Yethemba Local Municipality is in the process of developing a new five-year IDP for the current term starting from 2022-2027 in accordance with section 34 of the Local Government Municipal Systems Act 32 of 2000.

The Municipality has developed a set of long-term goals and five-year objectives (to be reviewed annually) that will form the basis of the annual business planning and budgeting carried out on an ongoing basis. The IDP will also further be shaped by inputs from communities and civil society, as well as direction from the political leadership.

A five-year IDP supports a single, integrated planning process, with clear demarcation between long-term, medium term and short-term planning. The five-year IDP should therefore be understood as an interpretation of strategy and political priorities into a detailed Executive Mayoral Plan that is to become the business plan, in this context, it is seen as an implementation tool.

The aim of the new 5-year IDP for Inxuba Yethemba is to present a coherent plan to improve the quality of life for people living in the area. The intention of this IDP is to link, integrate and co-ordinate development plans for the municipality which is aligned with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

Inxuba Yethemba LM's Political Priorities

The Local Government elections of 2021 ushered a new political dispensation with a mandate that sets the tone for the development of a five-year IDP (2022 -2027). Inxuba Yethemba LM is guided by the following 10 (ten) priorities, as highlighted by the Local Government Elections Manifesto.

- 1) Provision of water and sanitation, sewerage, and roads.
- 2) Provision of electricity.
- 3) Provision of land and housing.
- 4) Choose the best people to run municipalities.
- 5) Food security.
- 6) Fight corruption and end wastage.
- 7) Make municipalities financially viable.
- 8) Jobs, education, training, and opportunities for young people.
- 9) Fight against gender-based violence and safer communities.
- 10) A non-sexist society and commitment to gender equality.

National Development Plan

The South African Government through the Presidency has published a National Development Plan. The Plan aims to eliminate poverty and reduce inequality by 2030. The Plan has the target of developing people's capabilities to be to improve their lives through education and skills development, health care, better access to public transport, jobs, social protection, rising income, housing and basic services, and safety.

It proposes to the following strategies to address the above goals:-

- a) Creating jobs and improving livelihoods.
- b) Expanding infrastructure.
- c) Transition to a low carbon economy.
- d) Transforming urban and rural spaces.
- e) Improving education and training.
- f) Providing quality health care.
- g) Fighting corruption and enhancing accountability.
- h) Transforming society and uniting the nation.

At the core of the Plan is to eliminate poverty and reduce inequality and the special focus on the promotion of gender equity and addressing the pressing needs of youth. More importantly for efficiency in local government the NDP proposes 8 targeted actions listed below:-

- a) Stabilise the political-administrative interface.
- b) Make public service and local government careers of choice.
- c) Develop technical and specialist professional skills.
- d) Strengthen delegation, accountability, and oversight.
- e) Improve interdepartmental co-ordination.
- f) Take pro-active approach in improving national, provincial, and local government relations.
- g) Strengthen local government.
- h) Clarify the governance of SOE's.

The National Development Plan 2030 has been adopted by the National Cabinet in August 2012 and this place an injunction on the state and its agencies (including municipalities) to implement the Plan.

The Plan makes the following policy pronouncements and proposes performance targets that intersect with developmental mandates assigned to local government. Importantly, municipalities are expected to respond to these developmental imperatives when reviewing their Integrated Development Plan and developing the corresponding three-year Medium-Term Revenue and Expenditure Frameworks:-

- a) Youthful population presents opportunities to boost economic growth, employment and reduce poverty.
- b) Strengthen youth service programmes – community-based programmes to offer young people life skills training, entrepreneurial training;
- c) Increase employment from 13 million in 2010 to 24 million in 2030.
- d) Ensure that skilled, technical, professional, and managerial posts better reflect the country's racial, gender and disability makeup.
- e) Establish effective, safe and affordable public transport.
- f) Produce sufficient energy to support industry at competitive prices.
- g) Ensure that all South African have access to clean running water in their homes.

- h) Make high - speed broadband internet universally accessible at competitive prices.

National Government's Outcomes Based Approach to Service Delivery

National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

Whilst all of the outcomes can to some extent be supported through the work of local government, Outcome 9 (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government: -

Table 2: Outcome 9 Outputs	
Output 1	Implement a differentiated approach to municipal financing, planning and support
Output 2	Improving access to basic services
Output 3	Implementation of the Community Work Programme
Output 4	Actions supportive of the human settlement outcome
Output 5	Deepen democracy through a refined Ward Committee model
Output 6	Administrative and financial capability
Output 7	Single window of co-ordination

The New Growth Path

This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality, and defeating poverty through “a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth”.

Important and of practical consequence to local government, are the specific job drivers that have been identified: -

- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy.
- Targeting more labour-absorbing activities across the main economic sectors –the agricultural and mining value chains, manufacturing, and services.
- Taking advantage of new opportunities in the knowledge and green economies.
- Leveraging social capital in the social economy and the public services; and
- Fostering rural development and regional integration.

Eastern Cape Vision 2030

In 2014, the Executive Council of the Eastern Cape Provincial Government appointed the Eastern Cape Planning Commission (ECPC) to facilitate a participatory exercise of defining what the NDP should mean for the province. This definition has been used to inform the Eastern Cape's Provincial Development Plan (PDP). The plan aims to provide creative responses to the province's challenges.

There are five related goals that inform the PDP. Each goal aims to encourage rural development to address the spatial and structural imbalances in the Eastern Cape. Each goal has a vision, key objectives and strategic actions. Further detail is provided in Part 2 of this plan.

The five goals are interrelated and cross-enable each other. For example, good health (goal 3) is important for effective learning (goal 2) and productive economic activity (goal 1). Achieving the first three goals will inevitably create more vibrant communities (goal 4). The fifth goal, capable and accountable institutions, enables the first four goals.

a) Goal 1: A growing, inclusive and equitable economy.

The PDP aims to develop a growing, inclusive, and equitable economy. This includes a larger and more efficient provincial economy that optimally exploits the competitive advantages of the Eastern Cape, increased employment and reduced inequalities of income and wealth.

b) Goal 2: An educated, empowered, and innovative citizenry.

The PDP seeks to ensure that people define their identity, sustain their livelihoods, live healthy lives and raise healthy families, develop a just society and economy, and play an effective role in the development of their communities, as well as the politics and governance of the state at all levels.

c) Goal 3: A Healthy population.

The PDP seeks to ensure that all citizens of the Eastern Cape live longer and healthy lives. This will mainly be achieved by providing quality healthcare to people in need. The health system must value patients, care for communities, provide reliable service and value partnerships. In addition, the system should rest on a good primary healthcare platform and be integrated across primary, secondary and tertiary levels of healthcare.

d) Goal 4: Vibrant, equitable and enabled families.

The PDP seeks to ensure that by 2030, the Eastern Cape is characterised by vibrant communities in which people can responsibly exercise their growing freedoms. The plan aims to address spatial disparities across the province and seeks to guide the development and use of instruments to achieve this. These instruments include legislation and policy, spatial

targeting of infrastructure and other investments, and planning itself. Where and how people live and work is the most visible manifestation of spatial equity.

e) **Goal 5: Capable, conscientious and accountable institutions**

The PDP seeks to build capable, conscientious and accountable institutions that engender and sustain development partnerships across the public, civic and private sectors. It aims to construct and mobilise multi-agency partnerships for development, encouraging the emergence of a strong, capable, independent and responsible civil society committed to the province's development. The province will build the necessary capabilities to anchor these multi-agency partnerships and empower people to meaningfully participate in their own development.

National Spatial Development Perspective.

It provides for focusing of development on areas of potential as a catalyst towards improvement of lives of communities. Areas of potential or nodal points should be prioritized for infrastructure investment. The development of the municipal SDF took into consideration proposals of the NSDP.

The District Development Model.

The DDM is an all-of-government approach to improve integrated planning and delivery across the three spheres of government with district and metropolitan spaces as focal points of government and private sector investment.

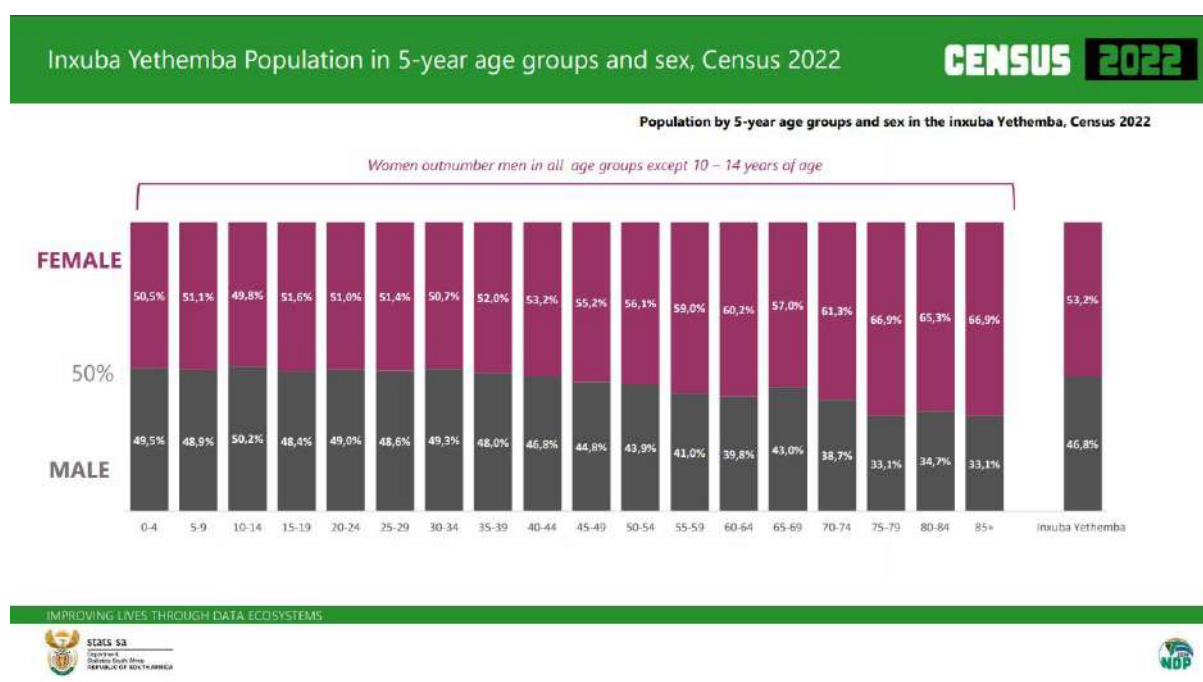
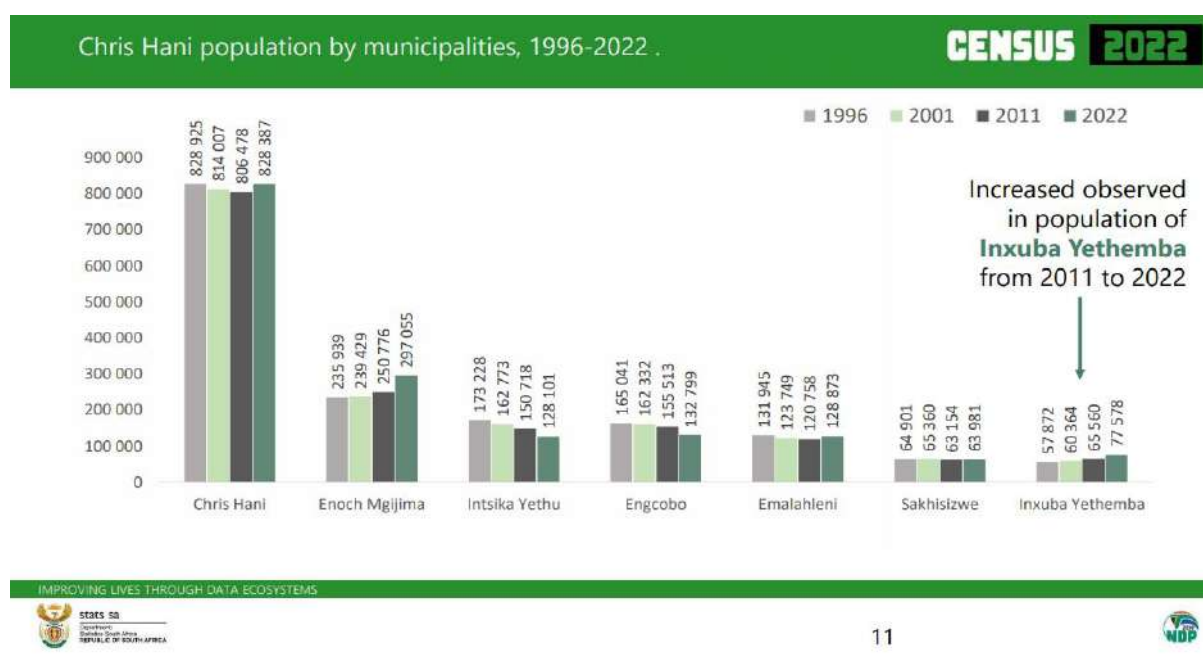
The DDM is aimed at facilitating integrated planning, delivery and monitoring of Government's development programmes through the concept of a joint "One Plan" in relation to 52 development spaces / impact zones through the establishment of national technical capacity as well as district hubs that will drive implementation of the programme.

This approach will not only accelerate local economic development, urbanization, economic activities but also the provision of basic services and other tailor-made solutions such as "Covid-19 interventions" at grass roots level.

Integrated Urban Development Framework.

The IUDF aims to guide the development of inclusive, resilient, and liveable urban settlements, while directly addressing the unique conditions and challenges facing South Africa's cities and towns.

1.3.6 Demographic Profile: Total Population

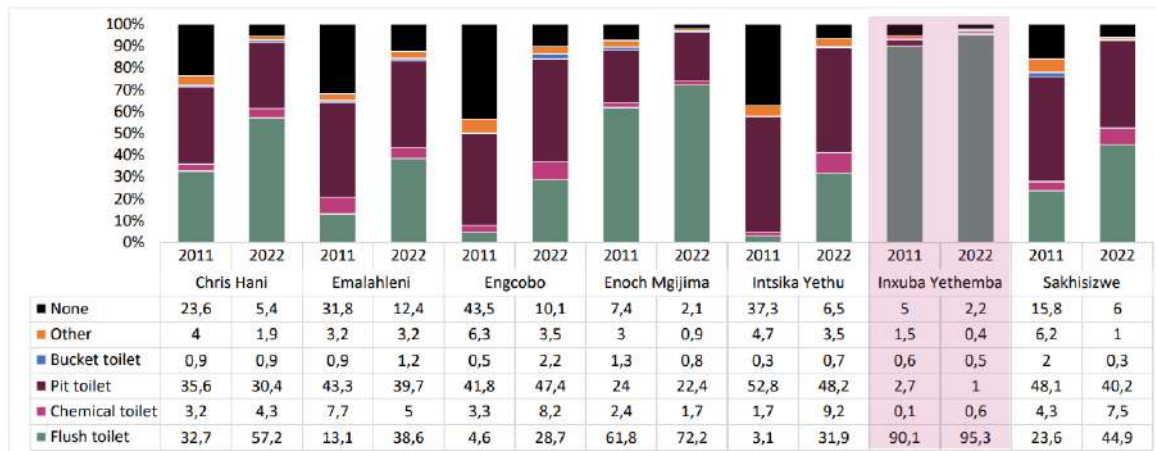


Access to Services

Large reduction in the number of Households that reported having no (None) toilet facilities in Inxuba Yethemba, from 5% in 2011 to 2,2% in 2022

CENSUS 2022

Households by type of toilet facility per municipality in Chris Hani, Census 2011-2022



Access to Housing

Municipal variations show that Engcobo recorded the highest average at 5,5 household size while Inxuba Yethemba recorded average at 3,4

CENSUS 2022

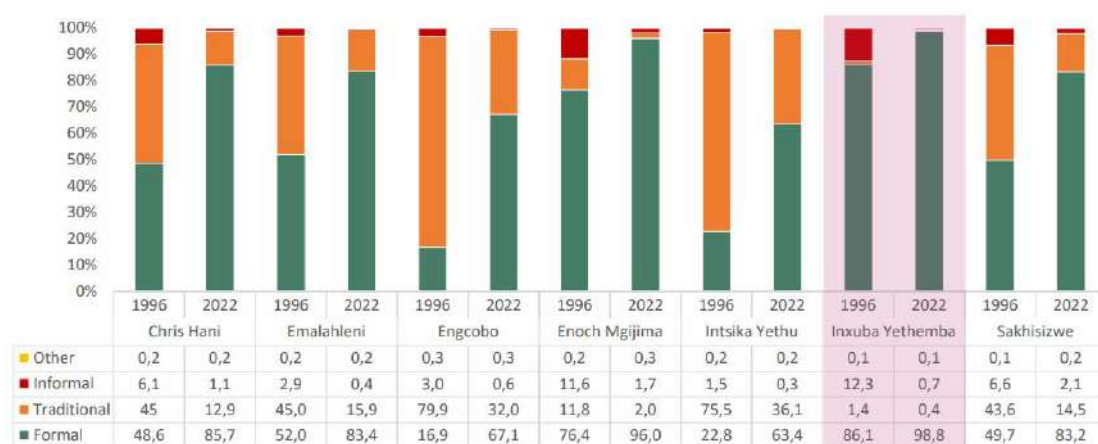
Average household size by municipality in Chris Hani, Census 2022



In Inxuba Yethemba, the percentage of households that resided in formal dwellings increased sharply from 86,1% in 1996 to 98,8% in 2022.

CENSUS 2022

Households by type of main dwelling occupied, Chris Hani Census 1996-2022



HIV+ and AIDS estimates (From 2016)

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2016	7,450	109,000	874,000	7,250,000	6.8%	0.85%	0.10%
2017	7,620	111,000	890,000	7,420,000	6.8%	0.86%	0.10%
2018	7,780	114,000	906,000	7,600,000	6.8%	0.86%	0.10%
2019	7,960	116,000	922,000	7,780,000	6.8%	0.86%	0.10%
2020	8,130	119,000	939,000	7,970,000	6.8%	0.87%	0.10%
2021 Estimated	0,00	0,00	0,00	0,00	6.8%	0.87%	0.10%
2022 Estimated	0,00	0,00	0,00	0,00	6.8%	0.87%	0.10%
2023 Estimated	0,00	0,00	0,00	0,00	6.8%	0.87%	0.10%
2024 Estimated	8 847,00	130 102,94	1 016 896,55	8 847 000,00	6.8%	0.87%	0.10%

Note

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 217 in 2010 and 100 for 2020. This number denotes a decrease from 2010 to 2020 with a high average annual rate of -7.42% (or -117 people). For the year 2020, they represented 0.14% of the total population of the entire local municipality.

1.3.7 Economy

The economic state of Inxuba Yethemba Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Chris Hani District Municipality, Eastern Cape Province and South Africa.

The Inxuba Yethemba Local Municipality does not function in isolation from Chris Hani, Eastern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

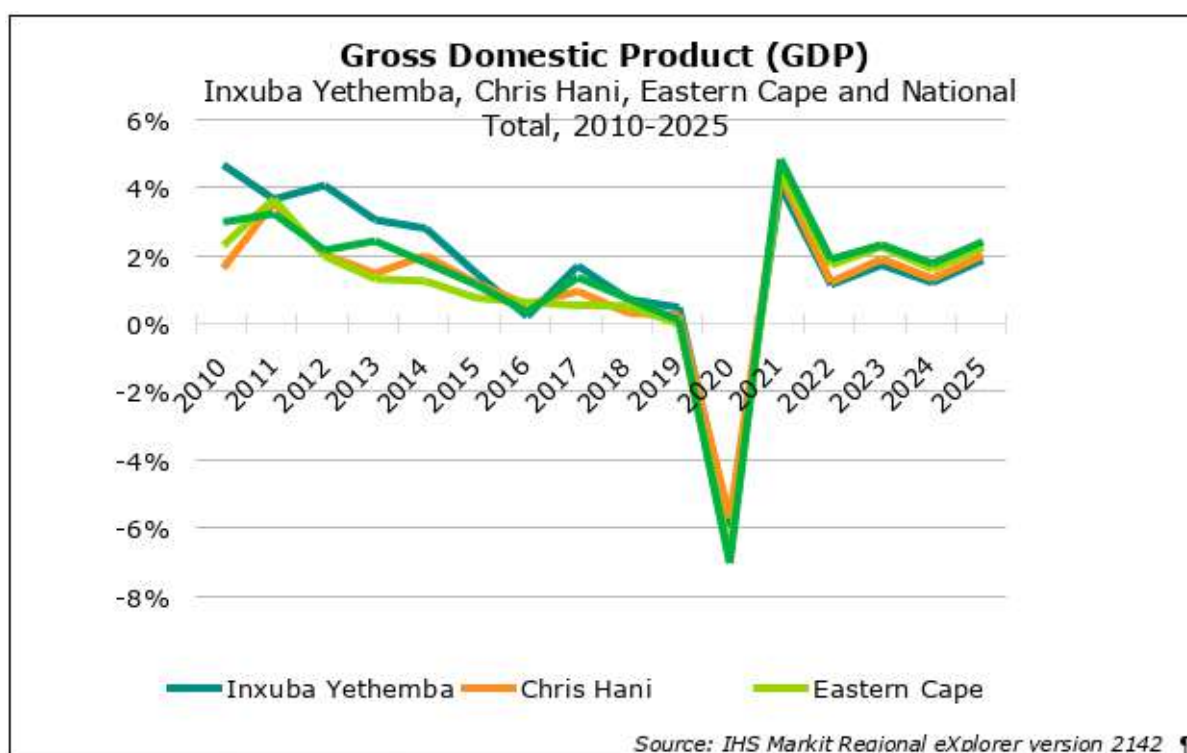
Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

Gross Domestic Product (GDP) - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2020 [R billions, Current prices. **For Inxuba Yethemba 2024 Annual Reporting purposes – Estimate started from 2016**

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2016	5.0	27.1	334.4	4,359.1	18.4%	1.49%	0.11%
2017	5.4	29.0	358.6	4,653.6	18.4%	1.49%	0.12%
2018	5.6	30.4	375.5	4,873.9	18.4%	1.49%	0.11%
2019	5.8	31.3	387.4	5,077.6	18.4%	1.49%	0.11%
2020	5.6	30.7	378.1	4,973.0	18.4%	1.49%	0.11%
2021 estimated	5.8	31,52	386,67	5 272,73	18.4%	1.50%	0.11%
2022 estimated	6.2	33,70	413,33	5 272,73	18.4%	1.50%	0.11%
2023 estimated	6.8	36,96	450,33	5 272,73	18.4%	1.51%	0.11%
2024 estimated	7.5	40,54	493,42	5 272,73	18.5%	1.52%	0.11%

Gross Domestic Product (GDP) - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2025 [Average annual growth rate, constant 2010 prices]



In 2025, Inxuba Yethemba's forecasted GDP will be an estimated R 3.69 billion (constant 2010 prices) or 18.5% of the total GDP of Chris Hani District Municipality. The ranking in terms of size of the Inxuba Yethemba Local Municipality will remain the same between 2020 and 2025, with a contribution to the Chris Hani District Municipality GDP of 18.5% in 2025 compared to the 18.7% in 2020. At a 2.05% average annual GDP growth rate between 2020 and 2025, Inxuba Yethemba ranked the fifth compared to the other regional economies.

Gross Domestic Product (GDP) - Regions within Chris Hani District Municipality, 2010 to 2025, share and growth

	2025 (Current prices)	Share district municipality	of 2010 (Constant prices)	2025 (Constant prices)	Average Annual growth
Inxuba Yethemba	7.82	18.30%	2.95	3.69	1.50%
Intsika Yethu	4.61	10.80%	1.68	2.11	1.54%
Emalahleni	2.88	6.73%	1.17	1.31	0.76%
Engcobo	3.90	9.13%	1.58	1.83	0.99%
Sakhisizwe	2.80	6.54%	1.05	1.29	1.41%
Enoch Mgijima	20.73	48.51%	8.26	9.70	1.08%

The Primary sector is expected to grow at an average annual rate of 0.53% between 2020 and 2025, with the Secondary sector growing at 2.10% on average annually. The Tertiary sector is expected to grow at an average annual rate of 2.12% for the same period.

Total employment - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2025 [numbers AND ESTIMATES]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	18900	114000	1260000	13500000
2011	18900	115000	1260000	13700000
2012	19300	116000	1270000	14000000
2013	20000	120000	1310000	14500000
2014	21300	129000	1370000	15100000
2015	22400	137000	1430000	15600000
2016	23100	141000	1470000	15900000
2017	23200	142000	1480000	16100000
2018	23100	140000	1470000	16300000
2019	22800	138000	1460000	16300000
2020	21400	127000	1380000	15600000
2021 Estimated	21100	125220	1360654	15381308
2022 Estimated	21000	124626	1354206	15308411
2023 Estimated	21000	124626	1354206	15308411
2024 Estimated	21200	125813	1367103	15454206
2025 Estimated	21600	128187	1392897	15745794

1.3.8 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

Unemployment (official definition) - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2020 [Number percentage]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
2010	4490	51600	492000	4490000	8.7%	0.91%	0.10%
2011	4240	49800	499000	4590000	8.5%	0.85%	0.09%
2012	4350	52200	521000	4710000	8.3%	0.83%	0.09%
2013	4600	56100	553000	4870000	8.2%	0.83%	0.09%
2014	4730	59100	579000	5070000	8.0%	0.82%	0.09%
2015	4780	61100	597000	5320000	7.8%	0.80%	0.09%
2016	5240	68200	652000	5700000	7.7%	0.80%	0.09%
2017	6110	79600	736000	6020000	7.7%	0.83%	0.10%
2018	6740	88000	798000	6130000	7.7%	0.85%	0.11%
2019	7790	101000	895000	6480000	7.7%	0.87%	0.12%
2020	9010	114000	985000	6660000	7.9%	0.91%	0.14%
2021 Estimated	10230	129494	1076842	6393750	7.9%	0.95%	0.16%
2022 Estimated	11450	144937	1156566	6361111	7.9%	0.99%	0.18%
2023 Estimated	12670	160380	1230097	6335000	7.9%	1.03%	0.20%
2024 Estimated	13890	175823	1298131	6313636	7.9%	1.07%	0.22%
2025 Estimated	15110	191266	1361261	6295833	7.9%	1.11%	0.24%

Source: IHS Markit Regional eXplorer version 2142

1.3.9 Income and Expenditure

Number of Households by Income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

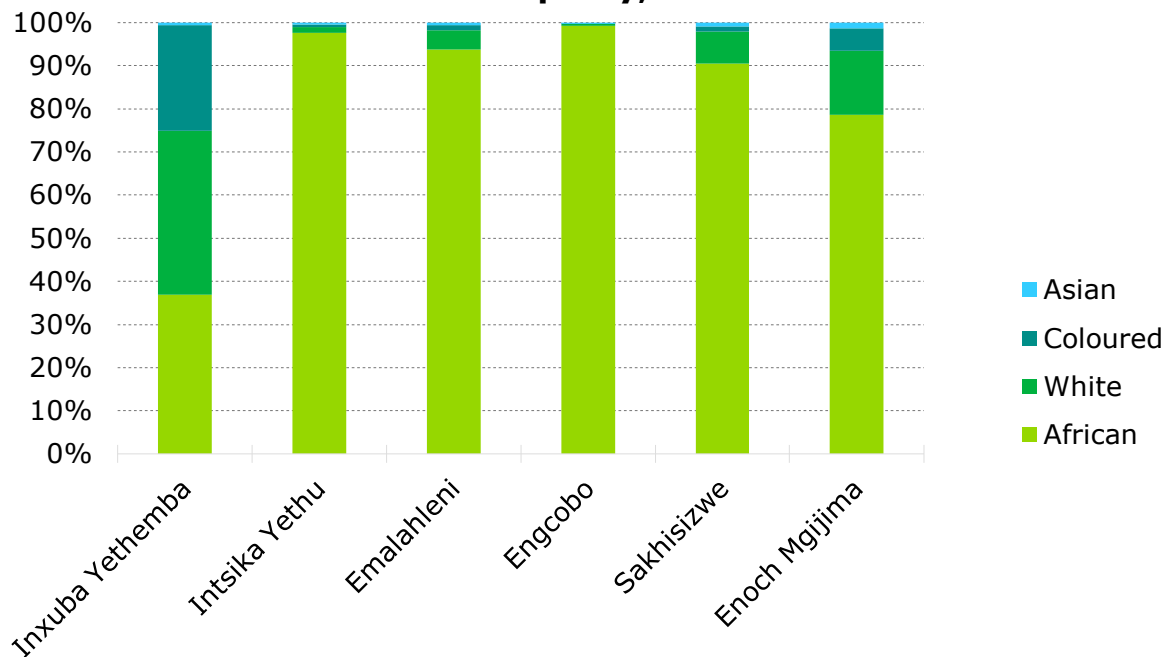
Households by income category - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2020 [Number Percentage]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total	Inxuba Yethemba as % of district municipality	Inxuba Yethemba as % of province	Inxuba Yethemba as % of national
0-2400	1	21	167	1,760	5.6%	0.69%	0.07%
2400-6000	30	435	3,620	34,900	7.0%	0.84%	0.09%
6000-12000	269	4,780	38,800	340,000	5.6%	0.69%	0.08%
12000-18000	584	10,000	79,600	663,000	5.8%	0.73%	0.09%
18000-30000	1,800	31,200	240,000	1,840,000	5.8%	0.75%	0.10%
30000-42000	2,120	35,000	254,000	1,860,000	6.1%	0.83%	0.11%
42000-54000	1,940	28,000	208,000	1,620,000	6.9%	0.93%	0.12%
54000-72000	2,190	28,100	212,000	1,750,000	7.8%	1.03%	0.13%
72000-96000	2,040	24,100	184,000	1,590,000	8.5%	1.11%	0.13%
96000-132000	2,040	19,800	160,000	1,480,000	10.3%	1.27%	0.14%
132000-192000	1,960	16,600	142,000	1,430,000	11.8%	1.38%	0.14%
192000-360000	2,480	17,600	165,000	1,840,000	14.1%	1.51%	0.13%
360000-600000	1,520	8,560	91,900	1,170,000	17.8%	1.65%	0.13%
600000-1200000	1,270	5,650	70,800	974,000	22.5%	1.80%	0.13%
1200000-2400000	444	1,630	22,900	310,000	27.2%	1.94%	0.14%
2400000+	68	213	3,290	44,900	32.0%	2.07%	0.15%
Total	20,800	232,000	1,880,000	17,000,000	9.0%	1.11%	0.12%

Source: IHS Markit Regional eXplorer version 2142

Households by income bracket - Inxuba Yethemba Local Municipality, 2010-2020
[Percentage]

Annual total personal income Chris Hani District Municipality, 2020



Annual total Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

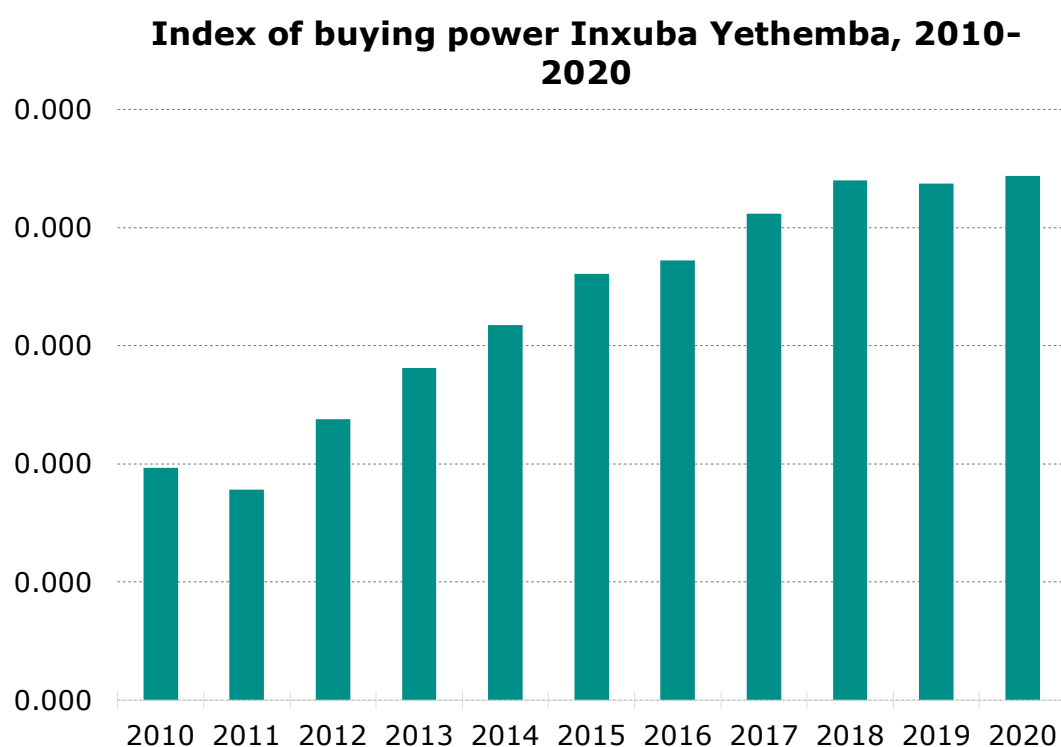
Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

Annual total personal income - Inxuba Yethemba Total [Current Prices, R billions]

	Inxuba Yethemba
2016	3.8
2017	4.2
2018	4.5
2019	4.8
2020	4.7
2021 Estimated	5.0
2022 Estimated	5.3
2023 Estimated	5.6
2024 Estimated	5.9
2025 Estimated	6.2

Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

Per capita income - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2020 [Rand, current prices]



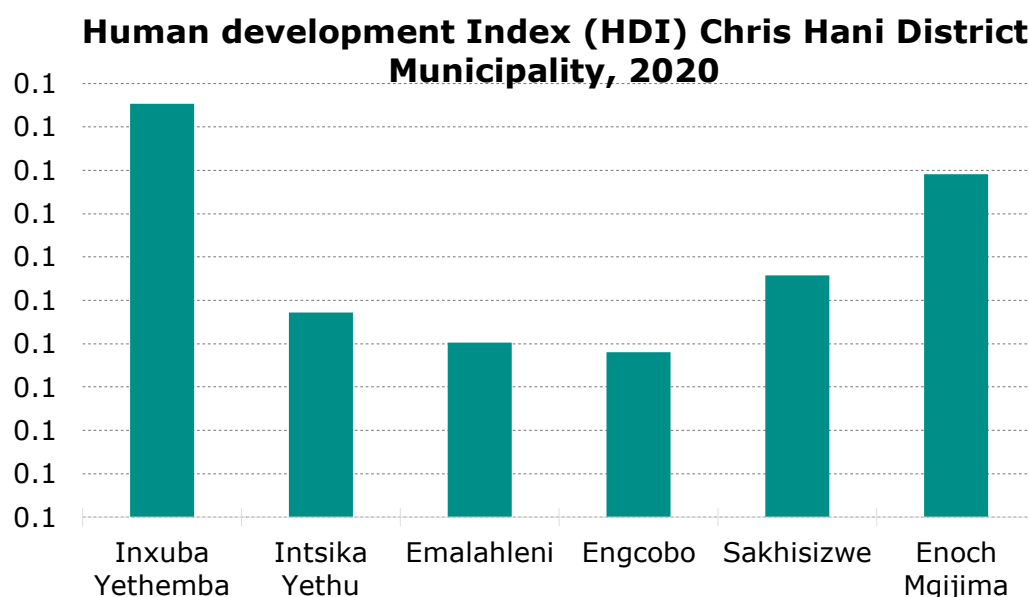
The per capita income in Inxuba Yethemba Local Municipality in 2020 is R 63,000 which is higher than both the Eastern Cape (R 41,000) and of the Chris Hani District Municipality (R 34,000) per capita income. The per capita income for Inxuba Yethemba Local Municipality (R 63,000) is higher than that of the South Africa as a whole which is R 58,700.

Per capita income by population group - Inxuba Yethemba and the rest of Chris Hani District Municipality, 2020 [Rand, current prices]

	African	White	Coloured
Inxuba Yethemba	38,900	250,000	51,100
Intsika Yethu	26,800	N/A	N/A
Emalahleni	24,800	N/A	N/A
Engcobo	24,300	N/A	N/A
Sakhisizwe	28,300	N/A	N/A
Enoch Mgijima	34,000	231,000	53,100

Source: IHS Markit Regional eXplorer version 2142

1.3.10 Human Development Index (HDI) - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010, 2015, 2020 [Number]

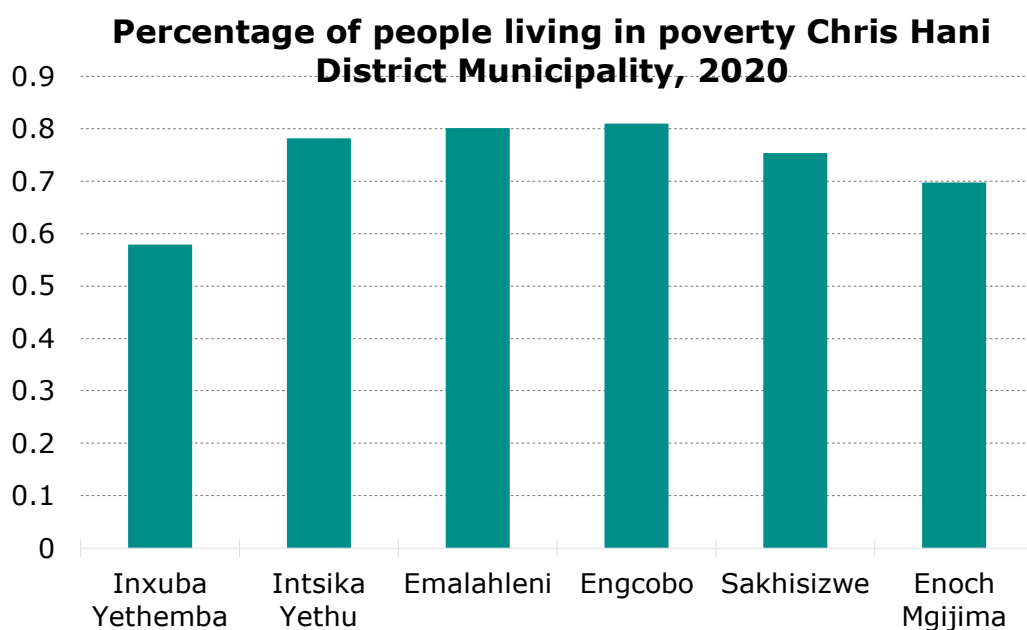


In 2020 Inxuba Yethemba Local Municipality had an HDI of 0.691 compared to the Chris Hani with a HDI of 0.623, 0.658 of Eastern Cape and 0.706 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2020 when compared to Inxuba Yethemba Local Municipality which translates to worse human development for Inxuba Yethemba Local Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.88% and this increase is lower than that of Inxuba Yethemba Local Municipality (2.35%).

1.3.11 Poverty

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA.

Number and percentage of people living in poverty - Inxuba Yethemba Local Municipality, 2010-2020 [Number percentage]



In 2020, there were 43 000 people living in poverty, using the upper poverty line definition, across Inxuba Yethemba Local Municipality - this is 16.22% higher than the 37 000 in 2010. The percentage of people living in poverty has increased from 55.59% in 2010 to 57.88% in 2020, which indicates an increase of -2.29 percentage points.

Percentage of people living in poverty by population group - Inxuba Yethemba, 2010-2020 [Percentage]

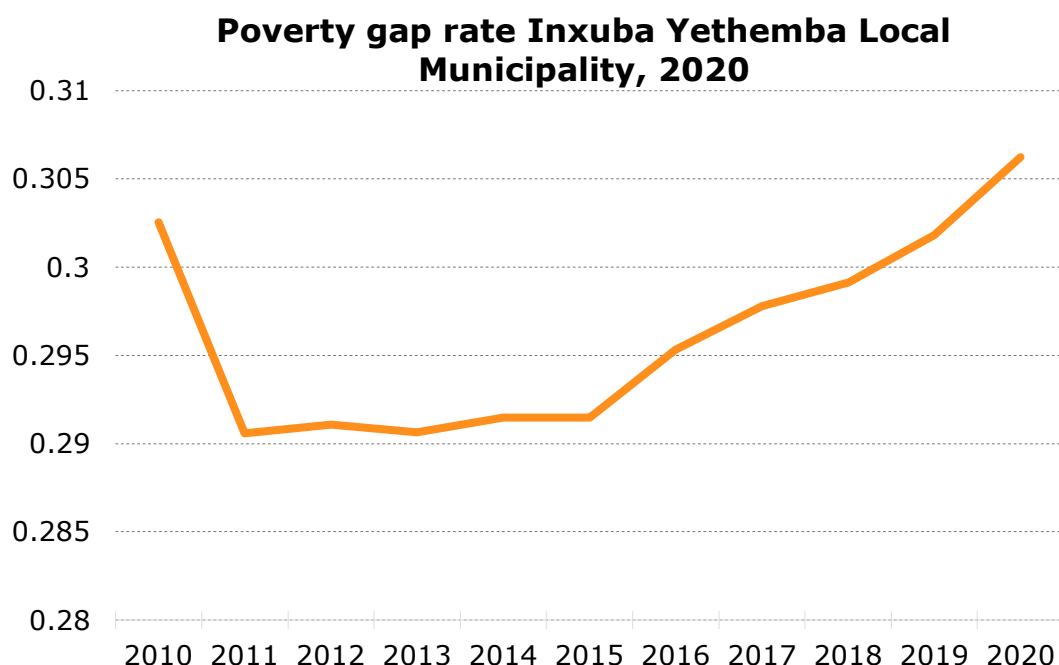
	African	White	Coloured
2010	67.6%	1.2%	53.3%
2011	62.2%	0.6%	48.6%
2012	61.6%	0.6%	48.3%
2013	61.5%	0.6%	48.4%
2014	62.3%	0.6%	49.4%
2015	62.2%	0.8%	49.5%
2016	64.3%	1.2%	51.0%
2017	65.1%	1.6%	51.3%
2018	65.6%	1.8%	50.8%
2019	66.9%	2.1%	51.3%
2020	69.2%	2.7%	53.3%

Source: IHS Markit Regional eXplorer version 2142

In 2020, the population group with the highest percentage of people living in poverty was the Coloured population group with a total of 53.3% people living in poverty, using the upper poverty line definition. The proportion of the Coloured population group, living in poverty, decreased by -0.0816 percentage

points, as can be seen by the change from 53.26% in 2010 to 53.34% in 2020. In 2020 69.21% of the African population group lived in poverty, as compared to the 67.62% in 2010.

Percentage of people living in poverty - Inxuba Yethemba and the rest of Chris Hani District Municipality, 2020 [percentage]



In terms of the percentage of people living in poverty for each of the regions within the Chris Hani District Municipality, Engcobo Local Municipality has the highest percentage of people living in poverty, with a total of 81.0%. The lowest percentage of people living in poverty can be observed in the Inxuba Yethemba Local Municipality with a total of 57.9% living in poverty, using the upper poverty line definition.

Population density - Inxuba Yethemba and the rest of Chris Hani, 2010-2020 [number of people per km]

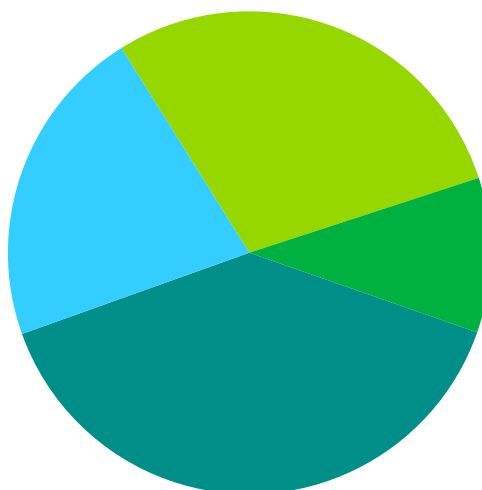
	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2010	5.71	53.42	34.97	63.45	27.36	18.79
2011	5.77	53.36	35.14	63.51	27.42	18.99
2012	5.84	53.28	35.28	63.57	27.48	19.20
2013	5.91	53.31	35.46	63.74	27.60	19.41
2014	5.98	53.43	35.68	64.01	27.75	19.62
2015	6.04	53.63	35.94	64.36	27.93	19.85
2016	6.11	53.87	36.21	64.74	28.12	20.06
2017	6.18	54.18	36.51	65.19	28.33	20.29
2018	6.25	54.54	36.83	65.68	28.55	20.51

	Inxuba Yethemba	Intsika Yethu	Emalahleni	Engcobo	Sakhisizwe	Enoch Mgijima
2019	6.31	54.91	37.15	66.16	28.77	20.72
2020	6.37	55.28	37.47	66.62	28.98	20.93

In 2020, Inxuba Yethemba Local Municipality had a population density of 6.37 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the Engcobo with a total population density of 66.6 per square kilometre per annum. In terms of growth, Inxuba Yethemba Local Municipality had an average annual growth in its population density of 1.10% per square kilometre per annum. It was also the region that had the highest average annual growth rate. The region with the lowest average annual growth rate was the Intsika Yethu with an average annual growth rate of 0.34% people per square kilometre over the period under discussion.

Population Density - Inxuba Yethemba and the rest of Chris Hani District Municipality, 2020
[Number of people per KM]

Tourism - trips by Purpose of trip Inxuba Yethemba Local Municipality, 2020



In terms of the population density for each of the regions within the Chris Hani District Municipality, Engcobo Local Municipality had the highest density, with 66.6 people per square kilometre. The lowest population density can be observed in the Inxuba Yethemba Local Municipality with a total of 6.37 people per square kilometre.

1.3.12 Tourism

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical and religious trips - these are all included in tourism.

Trips by purpose of trips.

As defined by the United Nations World Tourism Organisation (UNWTO), a trip refers to travel, by a person, from the time they leave their usual residence until they return to that residence.

This is usually referred to as a round trip. IHS likes to narrow this definition down to overnight trips only, and only those made by adult visitors (over 18 years). Also note that the number of "person" trips are measured, not household or "party trips".

The main purpose for an overnight trip is grouped into these categories:

- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

Number of trips by purpose of trips - Inxuba Yethemba Local Municipality, 2010-2020 [Number Percentage]

	Leisure Holiday	/ Business	Visits friends and relatives	Other (Medical, Religious, etc.)	Total
2010	31,600	11,600	46,400	20,500	110,000
2011	29,600	11,500	42,200	19,700	103,000
2012	26,500	11,600	36,700	18,700	93,500
2013	24,300	11,100	30,000	19,700	85,100
2014	21,600	10,700	29,000	19,100	80,400
2015	19,900	10,400	26,600	18,300	75,200
2016	19,300	10,300	25,100	17,900	72,500
2017	18,500	9,740	24,300	17,000	69,600
2018	18,100	9,160	23,000	15,300	65,600
2019	17,400	8,080	21,300	13,000	59,800
2020	5,820	2,090	7,900	4,350	20,200

Source: IHS Markit Regional eXplorer version 2142

In Inxuba Yethemba Local Municipality, the Other (Medical, Religious, etc.), relative to the other tourism, recorded the highest average annual growth rate from 2010 (20 500) to 2020 (4 350) at -14.36%. Visits to friends and relatives recorded the highest number of visits in 2020 at 7 900, with an average annual growth rate of -16.22%. The tourism type that recorded the lowest growth was Visits to friends and relatives tourism with an average annual growth rate of -16.22% from 2010 (46 400) to 2020 (7 900).

Origin of Tourists

In the following table, the number of tourists that visited Inxuba Yethemba Local Municipality from both domestic origins, as well as those coming from international places, are listed.

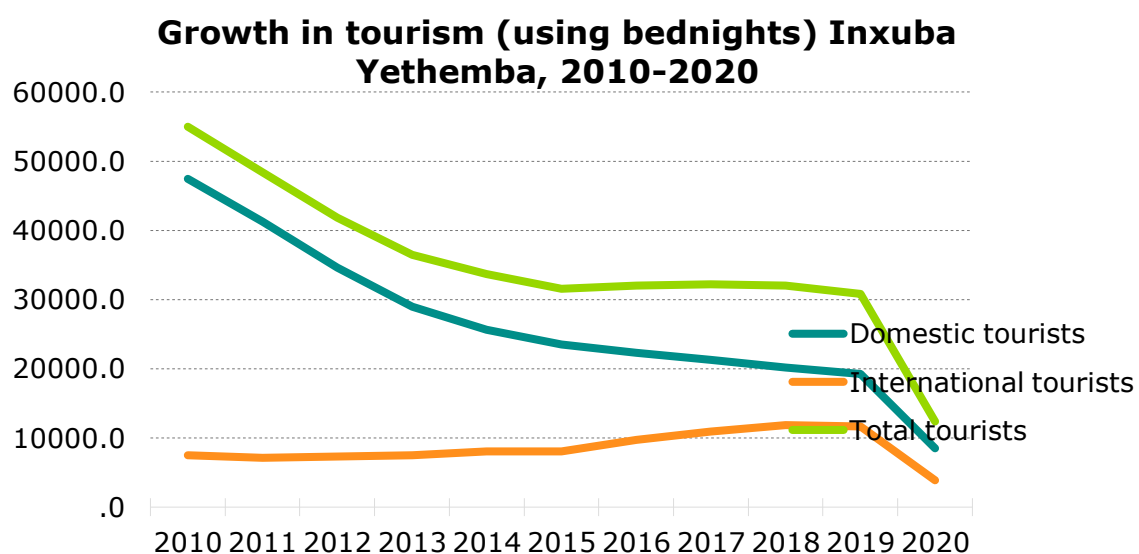
Total number of trips by origin tourists - Inxuba Yethemba Local Municipality, 2010-2020
[Number]

	Domestic tourists	International tourists	Total tourists
2010	103,000	7,200	110,000
2011	95,900	7,060	103,000
2012	86,000	7,420	93,500
2013	77,500	7,650	85,100
2014	72,600	7,760	80,400
2015	67,900	7,250	75,200
2016	64,300	8,260	72,500
2017	61,000	8,600	69,600
2018	56,500	9,040	65,600
2019	50,800	9,010	59,800
2020	17,100	3,050	20,200

Source: IHS Markit Regional eXplorer version 2142

The number of trips by tourists visiting Inxuba Yethemba Local Municipality from other regions in South Africa has decreased at an average annual rate of -16.42% from 2010 (103 000) to 2020 (17 100). The tourists visiting from other countries decreased at an average annual growth rate of -8.23% (from 7 200 in 2010 to 3 050). International tourists constitute 15.14% of the total number of trips, with domestic tourism representing the balance of 84.86%.

Tourists by origin - Inxuba Yethemba Local Municipality, 2020 [Percentage]



Tourism spending

Total tourism spending - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2020 [R billions, Current Prices]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	0.2	0.9	12.7	167.2
2011	0.2	0.9	12.7	174.5
2012	0.3	1.1	15.2	199.4
2013	0.3	1.1	16.4	217.8
2014	0.4	1.3	18.0	240.5
2015	0.3	1.2	17.2	231.4
2016	0.4	1.4	20.0	267.2
2017	0.4	1.4	20.4	277.5
2018	0.4	1.4	19.4	273.2
2019	0.4	1.4	19.8	284.6
2020	0.1	0.4	5.8	84.9

Source: IHS Markit Regional eXplorer version 2142

Inxuba Yethemba Local Municipality had a total tourism spending of R 125 million in 2020 with an average annual growth rate of -5.9% since 2010 (R 230 million). Chris Hani District Municipality had a total tourism spending of R 374 million in 2020 and an average annual growth rate of -8.2% over the period. Total spending in Eastern Cape Province decreased from R 12.7 billion in 2010 to R 5.75 billion in 2020 at an average annual rate of -7.6%. South Africa as whole had an average annual rate of -6.6% and decreased from R 167 billion in 2010 to R 84.9 billion in 2020.

Tourism Spend per Resident Capita

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

Tourism spend per resident capita - Inxuba Yethemba Local Municipality and the rest of Chris Hani, 2010, 2015 and 2020 [R Thousands]

	2010	2015	2020
Inxuba Yethemba	R 3,462	R 4,670	R 1,685
Intsika Yethu	R 480	R 633	R 202
Emalahleni	R 440	R 437	R 129
Engcobo	R 663	R 810	R 204
Sakhisizwe	R 730	R 938	R 287

	2010	2015	2020
Enoch Mgijima	R 1,464	R 1,807	R 515

Source: IHS Markit Regional eXplorer version 2142

In 2020, Inxuba Yethemba Local Municipality had a tourism spend per capita of R 1,680 and an average annual growth rate of -6.95%, Inxuba Yethemba Local Municipality ranked highest amongst all the regions within Chris Hani in terms of tourism spend per capita. The local municipality that ranked lowest in terms of tourism spend per capita is Emalahleni with a total of R 129 which reflects an decrease at an average annual rate of -11.55% from 2010.

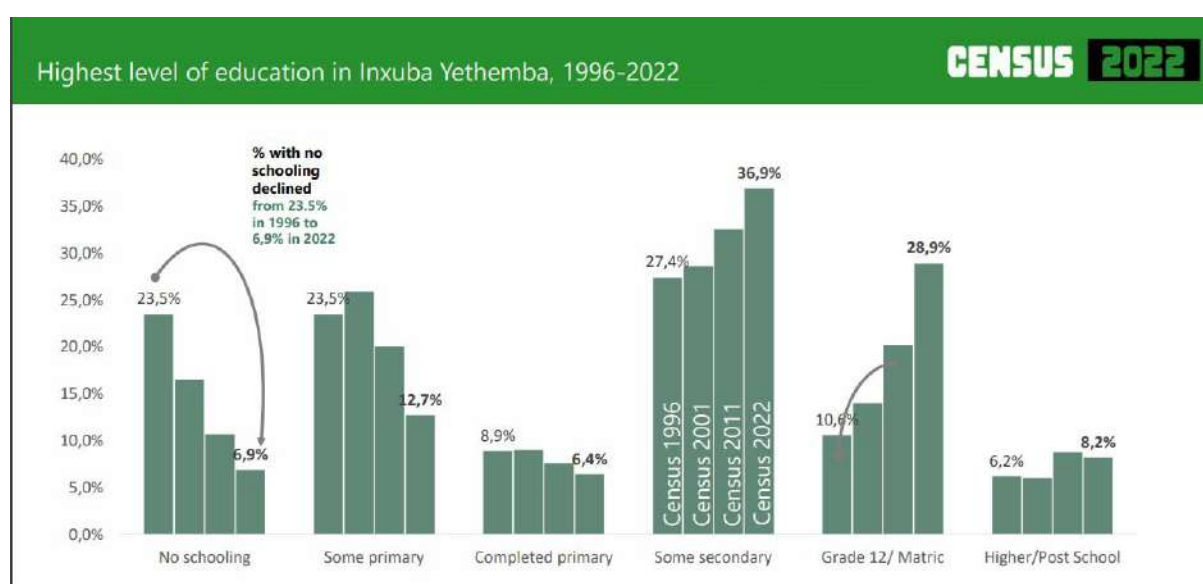
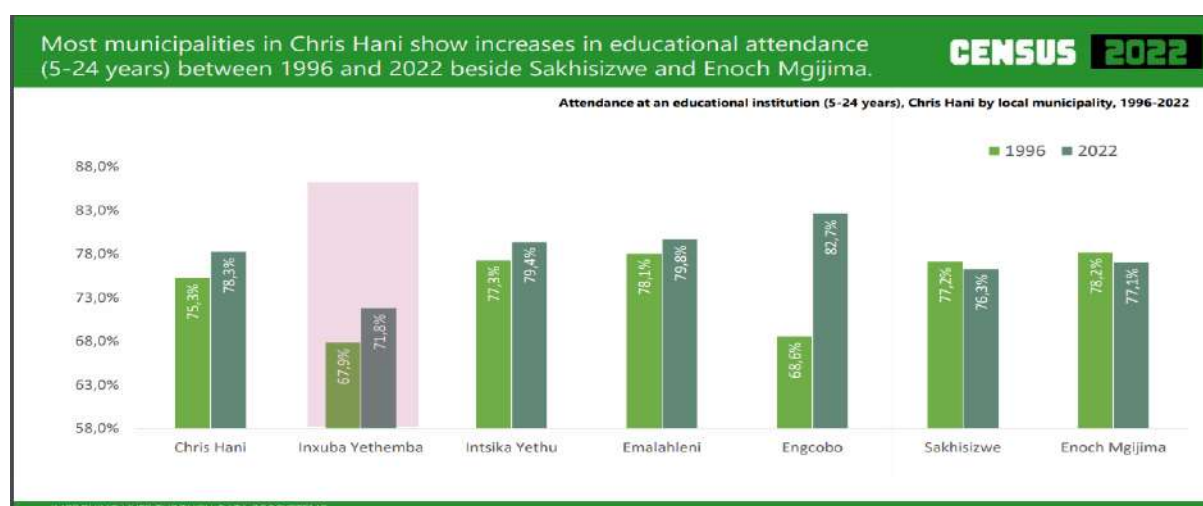
Tourism Spend as a Share of GDP

This measure presents tourism spending as a percentage of the GDP of a region. It provides a gauge of how important tourism is to the local economy. An important note about this variable is that it does not reflect what is spent in the tourism industry of that region, but only what is spent by tourists visiting that region as their main destination.

Total spending as % share of GDP - Inxuba Yethemba, Chris Hani, Eastern Cape and National Total, 2010-2020 [Percentage]

	Inxuba Yethemba	Chris Hani	Eastern Cape	National Total
2010	7.9%	5.3%	6.0%	6.1%
2011	7.4%	5.0%	5.6%	5.8%
2012	8.0%	5.3%	6.0%	6.1%
2013	8.0%	5.2%	6.0%	6.2%
2014	8.1%	5.3%	6.1%	6.3%
2015	7.0%	4.5%	5.4%	5.7%
2016	8.0%	5.1%	6.0%	6.1%
2017	7.9%	4.9%	5.7%	6.0%
2018	7.3%	4.5%	5.2%	5.6%
2019	7.5%	4.4%	5.1%	5.6%
2020	2.2%	1.2%	1.5%	1.7%

1.3.13 Education



The following are the expectations of the Eastern Cape Department of Education for 2024 2025:

School	No Of Grade 12 Learners	2024 Target	Expected No Of Learners To Pass
Cradock High School	101	100 %	101
Cradock Correctional centre	11	100%	11
J. A. Calata S.S.S	156	80%	125
Marlow Agricultural School	42	100	42
Matthew Goniwe S.S.S	36	86%	31
Michausdal S.S.S	86	80	69

School	No Of Grade 12 Learners	2024 Target	Expected No Of Learners To Pass
Middelburg HS	29	85%	24
Middellande SSS	100	85%	85
Ekuphumleni SSS	73	85%	62
TOTAL	634	88%	557

1.3.14 Statutory Annual Report Process

Table 3: Statutory Annual Report Process

No.	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 the 4th quarter Report for previous financial year	
4	Submit draft year 0 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	Sept/October
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	Nov/Dec
12	Municipalities receive and start to address the Auditor General's comments	
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	
16	Council adopts Oversight report	

No.	Activity	Timeframe
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

1.4 ORGANISATIONAL DEVELOPMENT PERFORMANCE

- A revised organogram was accepted by the two unions at the Local Labor Forum after a long consultative process.
- Critical posts were identified as part of this review process and some of these posts were filled to support efficient and uninterrupted service delivery.

Some of the challenges that remain unresolved include:

- The scarcity of local candidates with appropriate skills to fill vacant posts
- The ever increasing costs to appoint candidates with relevant qualifications and experience

1.4.1 Institutional Policy Management and Oversight

1.4.1.1 Administrative Policies

- The Municipality on an annual basis undertakes a policy review process, which is finalised by the end of May annually.
- During the year under review, Finance related policies, Performance Management Strategy, Human Resource related policies to mention a few. This process ensures that the institution functions optimally.

For update list of Administrative Policies reviewed during the year under review, refer to ANNEXURE B

1.4.2 Service Delivery and Performance Improvement Strategies – Concurrence to Strategic Resolutions of Council

- Resource Mobilization for funding Service Delivery Projects
- Conducting a Community Satisfaction Survey as a lobby ahead of the Elections and presenting the Report to the Communities by 30th April
- Develop and review all Municipal Policies by the 31st of May to be adopted with the final Budget of the Municipality.
- Investigation of the Backlog of the UIFWE
- Monitoring the Implementation of UIFWE Strategy

- Improve Monitoring of the Implementation of Council Resolutions and the Decision making framework
- Improve institutional Transformation through Capacity Development and Employee Engagement
- Strengthen the Municipal Attraction and Retention Strategy at the high level whilst embarking on a process of Succession Planning. A specific Program for the Development of Junior Manager or Supervisors must be implemented to achieve these object for Institutional Memory.
- Develop a Municipal Turnaround Plan that will facilitate A Change Management Agenda towards the 2027
- Strengthen the Audit Outcomes through the Integrated Audit Improvement Strategy
- Improvement of Risk Management including the deriving of the benefit of Assurance by all Assurance Providers towards Improved Governance
- Radical Political Oversight including Capacity building to MPAC

1.5 MUNICIPAL FORWARD PLANNING BASELINE ASSESSMENT

The MEC for CoGTA assessed the 2023/24 Municipal IDP with Outcomes on each Key Priority Area highlighted below:

Key Performance Areas (KPAs)	Ratings 2021/2022	IDP Ratings 2022/2023	IDP Ratings 2023/2024
KPA 1: Spatial Planning, Land, Human Settlements & Environmental Management	High	High	Medium
KPA 2: Service Delivery & Infrastructure Planning	Medium	Medium	High
KPA 3: Financial Planning & Budgets	Medium	High	High
KPA 4: Local Economic Development (LED)	High	High	High
KPA 5: Good Governance & Public Participation	Medium	High	High
KPA 6: Institutional Arrangements	High	High	High
Overall Rating	High	High	High

Summary of KPA-aligned findings the comments are as follows:

KPA No and Description	Finding or Comment	Overall Rating (M)
KPA 1: Spatial Planning, Land, Human Settlements and Environmental Management	<ul style="list-style-type: none"> The municipality must develop an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environment Management: Air Quality Act, No. 39 of 2004. |	
	<ul style="list-style-type: none"> The municipality must develop climate change strategy. |	
	<ul style="list-style-type: none"> The municipal IDP must reflect how the municipality intends to use and protect its natural resources, protected areas and heritage as its comparative and competitive advantage. 	
	<ul style="list-style-type: none"> The municipality must appoint an environmental official to implement environmental plans and programmes. 	

	<ul style="list-style-type: none"> • The municipality must develop a plan to address land degradation and enhance revitalization. 	
	<ul style="list-style-type: none"> • The municipality must develop, adopt and implement environmental by-laws. 	
	<ul style="list-style-type: none"> • The municipality must develop environmental planning tools. 	

KPA No and Description	Finding or Comment	Overall Rating:
KPA 2: Service Delivery and Infrastructure Planning	<ul style="list-style-type: none"> • The municipality must develop Rural Road Asset Management System (RRAMS). • The municipality must develop a storm water management plan. • The municipality must address issues of illegal dumping and littering in accordance with the National Environmental Management: Waste Act (NEMWA), No. 59 of 2008. • The municipality must develop an integrated community safety plan. • The municipality must align its disaster management plan with the Spatial Development Framework (SDF). • The municipality must adopt disaster management by-laws. • The municipal IDP must provide details on fire service tariffs. • The municipality should consider Service Level Agreements (SLAs) with other role players and neighbouring municipalities regarding veld and forest fires, oil spillages and floods. • The municipality must reflect on National Energy Regulator of South Africa (NERSA) licensing. 	HIGH

KPA No and Description	Finding or Comment	- Overall Rating: HIGH
KPA 3: Financial Planning and Budgets	<ul style="list-style-type: none"> The municipality must ensure that the salary budget (consider remuneration and employee costs) is within the norms and standards. 	
	<ul style="list-style-type: none"> The municipality must service its creditors in terms of financial norms and standards. 	

KPA No and Description	Finding or Comment	Overall Rating: HIGH
KPA 4: Local Economic Development -	There are no findings in relation to this KPA.	

KPA No and Description	Finding or Comment	Overall Rating: HIGH
KPA 5: Good Governance and Public Participation	-	
	<ul style="list-style-type: none"> The municipal IDP must reflect on the establishment of ward committees and their contributory role to the municipal affairs. 	
	<ul style="list-style-type: none"> The municipality must develop Ward Based Plans to enrich the IDPs. 	
	<ul style="list-style-type: none"> The municipality must develop, adopt, and implement a complaint management system. 	
	<ul style="list-style-type: none"> The municipality must establish a legal service office or unit. 	

KPA No and Description	Finding or Comment	Overall Rating: HIGH
KPA 6: Institutional Arrangements -	<ul style="list-style-type: none"> The municipality must cascade the implementation of Performance Management System (PMS) to lower levels. 	
	<ul style="list-style-type: none"> The municipality must have a proper record keeping system. 	

1.6 MUNICIPAL TURN-AROUND STRATEGY BASED ON MEC IDP ASSESSMENT COMMENTS

No	MEC Comment	Turn-Around Plan	Time-Frame	Responsible Person
KPA 1: Spatial Planning, Land Use, Human Settlements and Environmental Management				
1	The municipality must develop an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environment Management: Air Quality Act, No. 39 of 2004.	The Municipality will develop an Air Quality Management Plan (AQMP) as contemplated in Section 15(2) of the National Environment Management: Air Quality Act, No. 39 of 2004.	30 September 2024	Director: Community Services
2	The municipality must develop climate change strategy.	Development of climate change strategy to be done as suggested	End September 2024	Director: Community Services
3	The municipal IDP must reflect how the municipality intends to use and protect its natural resources, protected areas and heritage as its comparative and competitive advantage.	<p>We protect our natural resources and heritage by:</p> <p>By hosting awareness programmes to junior and senior citizens on how to protect and preserve our natural resources.</p> <p>The development of the Municipality should try not to hinder with the authenticity of our nature e.g. Inxuba River.</p> <p>Access to our beautiful Inxuba River should be controlled.</p> <p>The Municipality needs to strengthen its bi-laws in order to protect our heritage sites.</p>	<p>It's a continuous programme.</p> <p>During the Financial Year of 2024-2025.</p>	Director: IPED
4	The municipality must appoint an environmental official to implement environmental plans and programmes.	Environmental Practitioner appointed – Environmental plans and programmes implemented and the municipality has won awards two years in succession as top achiever	Achieved	Director: Community Services

5	The municipality must develop a plan to address land degradation and enhance revitalization.	<p>The Municipality has reviewed the Spatial Development Framework, and has designated areas for large-scale developments like truck stops and renewable Energy projects, as well as areas suitable for residential uses. The municipality has also identified and proposed the establishment of the Municipal Office Park, which will help to increase Property values.</p> <p>Furthermore, the IYM Municipality is included in the Karoo Revitalization Strategy SDF. One of the plans identified for the Municipality by Karoo Revitalisation strategy SDF includes energy-related renewable projects and the revitalization of a train stations within The municipality.</p> <p>It is also in line with the programme of the Department of Science and Technology Karoo Township Revitalization.</p>	Ongoing	Director: IPED
6	The municipality must develop, adopt, and implement environmental by-laws.	The Council approved the environmental bylaws and are to be gazetted.	Achieved	Director: Community Services
7	The municipality must develop environmental planning tools.	The municipality will develop environmental planning tools.	End September 2024	Director: Community Services

KPA 2: Service Delivery and Infrastructure Planning				
1	The municipality must develop Rural Road Asset Management System (RRAMS).	Rewording of how the RRAMS is implemented by Local Municipality. Funding and mandate for developing RRAMS is the function of the District LM	Achieved	Director: Technical Services
2	The municipality must develop a storm water management plan.	Request assistance from MISA with the development of a roads and storm water plan. Storm Water Management By-Law developed – in the process of promulgation	Achieved	Director: Technical Services
3	The municipality must address issues of illegal dumping and littering in accordance with the National Environmental Management: Waste Act (NEMWA), No. 59 of 2008.	The municipality does address issues of illegal dumping and littering in accordance with the National Environmental Management: Waste Act (NEMWA), No. 59 of 2008. This is done through the EPWP, CWP and Flood Mopping. The Municipality also removes the illegal dumps of waste heap using yellow plant. No dumping signs to erected on the illegal dumping sites	Ongoing	Director: Community Services
4	The municipality must develop an integrated community safety plan.	The municipality is in the process to develop an integrated community safety plan in conjunction with SAPS	End September 2024	Director: Community Services
5	The municipality must align its disaster management plan with the Spatial Development Framework (SDF).	The Disaster Management Plan is Included in the Municipal SDF since the Municipality has aligned it With the District Municipal SDF.	Achieved	Director: Community Services & IPED

		<p>The Disaster Plan Includes Community Awareness workshops to address the causes of pollution adding to natural disasters i.e. Drainage System Blockages</p> <p>As well as introduce conventional material to use to prevent disaster</p>		
6	The municipality must adopt disaster management by - laws.	The Municipality does have the Disaster Management Plan that was approved in May 2023 by the Council. By- laws will be developed and adopted by the end September 2024	End September 2024	Director: Community Services
7	The municipal IDP must provide details on fire service tariffs.	The Municipality does have the tariff for fire services in place only indigents are not charged.	Achieved	Director: Community Services
8	The municipality should consider Service Level Agreements (SLAs) with other role players and neighboring municipalities regarding veld and forest fires, oil spillages and floods.	Noted. To be discussed in the Institutional policy workshop in April	End September 2024	Director: Community Services
9	The municipality must reflect on National Energy Regulator of South Africa (NERSA) licensing	The municipality is licensed by National Energy Regulator of South Africa (NERSA) to distribute electricity to Cradock town, Michausdal and the whole of Middelburg. In Lingelihle township Eskom is the distributor. It also has a responsibility to provide and maintain street lights throughout the municipality. Electricity is purchased in bulk from Eskom and distributed	Achieved	Director: Technical Services

		through the municipality's infrastructure and network.		
KPA 3: Financial Planning and Budgeting				
1	The municipality must ensure that the salary budget (councilor remuneration and employee costs) is within the norms and standards	29% TOTAL EMPLOYEE COSTS	Achieved	CFO
2	The municipality must service its creditors in terms of financial norms and standards.	We are paying all our suppliers within 30 days as per legislation except Eskom- we are having payment agreement with them and AGSA we have payment agreement	Achieved	CFO
KPA 4: Local Economic Development – THERE ARE NO FINDINGS IN RELATION TO THIS KPA				
1				
KPA 5: Good Governance				
1	The municipal IDP must reflect on the establishment of ward committees and their contributory role to the municipal affairs.	The ward committees submit the Report on Quarterly basis on the functionality of these committees and tabled to the Council, the Report will form part of the IDP	End April 2024	Municipal Manager
2	The municipality must develop Ward Based Plans to enrich the IDPs.	This plan will be developed through the ward Cllrs with the assistance of IDP/PMS Manager and Public Participation Officer	End September 2024	Municipal Manager
3	The municipality must develop, adopt, and implement a complaint management system.	The Municipality has Identified the criticality of Customer Care Management Establishment, which complaint management systems will form part on the Establishment.	June 2024	Municipal Manager
4	The municipality must establish a legal service office or unit.	The Municipality has appointed a pool of legal services as at 1 st March 2024, and the position of the	Achieved	Municipal Manager

		Legal Officer has been identified as critical		
KPA 6: Institutional Arrangements				
1	The municipality must cascade the implementation of Performance Management System (PMS) to lower levels.	<p>This is covered under the MSR implementation plan</p> <p>PMDS policy that covers PMDS cascading in draft stage to be adopted by the end June.</p> <p>Consultation workshop to be attended by Management, & Labor to be conducted by CoGTA is planned for 26 March 2024</p>	End June 2024	Director: Corporate Services
2	The municipality must have a proper record keeping system.	<p>DESRAC has been requested to assist.</p> <p>Meeting was held on the 22 February 2024. Assistance to include:</p> <p>Development of Records Management & Archiving Policy</p> <p>File Plan and Procedure Manual</p> <p>Automation (scanning) of all council documents started in March 2024.</p> <p>Automated document management system</p>	End June 2024	Director: Corporate Services

CHAPTER 2: GOVERNANCE

Strategic Overview of Inxuba Yethemba Local Municipality

As part of its Constitutional Mandate, Inxuba Yethemba Municipality seeks to provide quality, sustainable basic services while promoting socio-economic development, community involvement and the protection of the environment.

2.1. Council Governance and Management Overview

2.1.1 Council Governance and Political Oversight

- The Governance and Political Oversight of the Municipality is entrusted to Council, with a functional Mayoral Committee (MAYCO). There are functional Section 80 Committees representing the Key Performance Areas in the Municipality.
- The Municipal Council has a functional Municipal Public Accounts Committee and an appointed fully functional Audit Committee as S79 Committees.
- The Municipality has a functional Risk Management Committee which is a Management-led Governance structure with an independent Chairperson

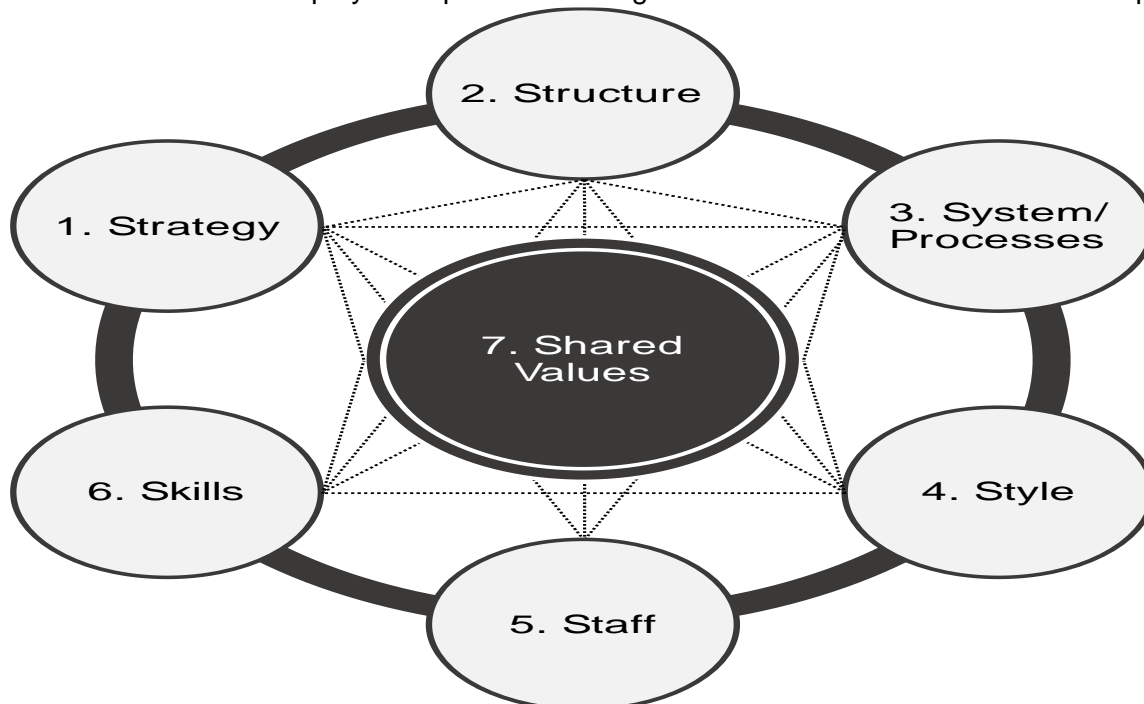
2.1.2 Executive Management

The Management team comprises the Municipal Manager (MM), Acting Chief Financial Officer (ACFO), and Director: Integrated Planning and Local Economic Development, Director: Corporate Services, Director: Infrastructure and Basic Services as well as Director: Community Services.

It is envisaged that the ongoing organisational review will subsequently enable the Municipality to function optimally utilising and exploring available resources and considering other means so as to successfully implement projects and Programmes.

2.2 Organisational and Operational Analysis

The 7S Model was employed to perform the organisational assessment of the Municipality.



Organisational Review of the Inxuba Yethemba Municipality using the 7S Methodology

Strategy – For the strategy to be successfully implemented, it is critical that the organisation is sufficiently capacitated. Without the necessary resources, the strategy becomes meaningless.

Structure – The Municipality has an Organogram that was reviewed and despite capacity gaps in certain Departments, however operating optimally despite having some critical vacant positions that are in the process of being filled. For the Municipality to grow in line with its mandate, it is critical that the structure be reviewed and aligned to its Vision.

Systems –The Municipality has effective Financial Management and IT Systems as requirement for relevant and robust systems that support the processes of the Municipality.

Style – Since its establishment, the Municipality has never been under Administration with the current Municipal Manager appointed on a fulltime basis since 2021. The Municipality has always emerged and under the new Political Leadership, the Municipal Manager is guiding the Administration with more stability to the organisation.

Staff – The Inxuba Yethemba Municipality, despite not having filled some of its critical positions, is sufficiently capacitated to deliver on its mandate. The recruitment of suitably qualified staff is being prioritised by the Municipality as it seeks to meet the growth and service delivery expectations by its communities.

Skills – The continuous upskilling and capacitation of existing staff is critical to the functioning of the Municipality, as well as the retention of staff. The Municipality has got a demonstrable Human Resource Development and Staff Retention Strategy being implemented. There are Skills and Capacity Building Programmes identified in the Planning Process as one of Strategic Drivers to the organisation's mission.

Shared Values – The Inxuba Yethemba Municipality has embraced key Values that underpin its Organisational Culture towards the fulfilment of the Vision of the Organisations. These include Professionalism, Accountability, and Transparency, Commitment coupled with Efficient Delivery of Programs and Services to its people.

2.3 Preamble to The Municipality's Overarching Strategy

The Local Government elections of 2021 ushered a new political dispensation with a mandate that sets the tone for the development of the five-year Political Program through the corridor of the IDP.

The Inxuba Yethemba Municipality is rural in its nature characterized by high levels of poverty, unemployment and the low levels of education. It is further engulfed, like the rest of the country, with low economically active people and the youth. In its last term council emphasized, as its overarching strategy, local economic development with Infrastructure as the Catalyst, which it believed would be the anchor for Long-term Growth and Development of the municipality.

With the current Term of Council having started in November 2021, it is essential that in crafting the course of the future, the new council needs to define its overarching strategy towards sustainable service delivery.

In so doing the municipality needs or should take into account the National, Provincial, District and Local contexts including what is contained in Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System.

2.4 Defining Inxuba Yethemba Overarching Strategy

The Municipality developed the Vision, Mission and Values and conducted a systematic overview of the internal and external factors affecting the Municipal environment.

Underlying these are the Strategic Objectives as contained or expressed in the IDP, which were proposed and adopted by Council in the 2022 Council Strategic Planning session.

The Municipal overarching strategy emphasizes developing and growing the local economy by intensifying the implementation of the high impact Local Economic development projects, focused on heritage and tourism, mining, agriculture and small, medium and micro enterprises (SMMEs) support through a responsive, effective and efficient municipality”.

The Overarching strategy therefore sets out the tone and other functions of the Municipality that give support thereto.

This also means that Council puts emphasis on developing and growing the local economy, which translates into the need for building financial and human capital capacity for Local Economic Development.

2.5 Strategic Blueprint

The process embarked upon in the development of the Strategic Blueprint as per the reviewed Municipal IDP is well articulated in the *Definition and alignment of the Municipal Core Ideology, Vision, Mission and Values*.

The Key Strategic Objectives that facilitate the Mission Statement towards the pursued Vision remain unchanged during this strategic review session as agreed by Council and Administration.

2.6 Legislative Prescripts underpinning the Inxuba Yethemba Municipality Mandate/Strategy

The strategy is developed with the following pieces of legislation forming basis thereof:

- Constitution of the Republic of South Africa No. 108, 1996
- Development Facilitation Act, 1995 (Act No. 67 of 1995)
- Local Government: Demarcation Act, 1998 (Act No. 27 of 1998)
- White Paper on Local Government of 1998
- Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), as amended
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), as amended
- Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Regulations
- Intergovernmental Relations Framework Act, 2005 (Act No. 13 of 2005)
- Municipal Property Rates Act No. 6 of 2004
- Inxuba Yethemba Policies, Strategies and By-Laws

COMPONENT A: GOVERNANCE STRUCTURES

2.7 Political Governance and Political Structures

(a) Introduction

The Municipal Finance Management Act no 56 of 2003 (MFMA) Section 52 (a) states: "The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality".

In terms of section 9 (d) of the Municipal Structures Act 1998, the Inxuba Yethemba Local Municipality should have an executive system combined with a Council system.

(b) Executive Mayor: Councillor N. P. Zonke

The Mayor is the Chairperson of the Mayoral Committee (MAYCO) of the Municipality. As legislated by the Municipal Structures Act, Municipal Systems Act, Municipal Finance Management Act no. 56 of 2003 (MFMA) and Municipal Planning and Performance Regulations, the Executive Mayor performs duties, including any ceremonial functions, and exercises the powers delegated to the Executive Mayor by the Municipal Council, however as per the status of Executive Mayor can still take some decisions on behalf of the Council. These executive powers allow her to such prerogative and these can be later ratified by the Council as a collective body.

As per the Municipal Rules of Order and the related Legislation, the Executive Mayor is responsible the following programs within the Municipality: -

- Leading the Political leadership and vision of the Municipality
- Council Management

- Public Outreach Program which inclusive of Community Engagement
- Imbizos and IDPs
- Champion of the Municipal Special Programs
- Leading Intergovernmental Relation champion of Good Governance
- Monitoring of the Management of the Municipal Administration

(c) Speaker: Councillor T. P. Mbotya

- Presides over of the Council business by playing a coordination and management role in respect of Council meetings
- Plays coordination and management role in respect of Oversight and Standing Committees
- Ensures that the Council meets at least once a quarter as prescribed and also as and when in the formal Special Council meetings.
- Establishes, manages and evaluates the performance of S79 Oversight and Standing Committees
- Ensuring compliance in the Councillor and Council Committee with the Code of Conduct of Councillors
- Strictly ensures that the Council meetings are conducted in accordance with the rules and orders of the Council.
- The provision of administrative and secretarial support services to all councillors. This support strengthens the effectiveness of councillors in their role as public representatives

(d) Municipal Chief Whip: Councillor L. Davids

- The Municipal Chief Whip ensures that all Committees of Council quorate through the equitable distribution of Councillors to thee Committees
- Ensure that accountability of Councillors to Wards and their Political Parties
- Intervene between the Communities and Council when there is a crisis

(e) Political Decision Taking

- Section 53 of the Municipal Systems Act no. 32 of 2000 stipulates inter alia that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined.
- The section below is based on Section 53, of the Municipal Systems Act no. 32 of 2000, roles and responsibilities that was approved at the Council meeting in November 2021
- The political decision making at the Municipality is supported by the Management Committee. Management decided on forwarding only issues that have to be submitted to MAYCO and Council, either in terms of the MAYCO and Council's delegated authority or through requests received from any of the Standing Committees.
- Once the Mayoral Committee (MAYCO) has accepted the recommendations, such recommendations are submitted to Council for consideration and adoption/noting respectively.
- In the few cases where there is no consensus on a matter within Council, such issue will go to the vote.

- Once the Minutes of the Council meeting has been adopted, the responsibility lies with the Accounting Officer to ensure that actions are taken to implement such resolutions.

(f) Municipal Council

- Governs by making and administering laws, raising taxes, and taking decisions that affect people's rights;
- Is a tax authority that may raise property taxes and service levies;
- Is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to the Mayoral Committee and/or Administration;
- Can delegate responsibilities and duties for the purpose of fast and effective decision making;
- Must strive towards the constitutional objectives of local government;
- Must consult the community regarding local government matters; and
- Is the only decision maker on non-delegated matters such as the approval of the IDP and Budget.

The Municipal Council of the Inxuba Local Municipality consists of eighteen (18) members. Nine (9) represent wards and the remainder of Councillors are proportional representatives elected to represent political parties based on proportional representation. The ruling party in Council is the African National Congress (ANC).

The Inaugural Council Meeting held on 23 November 2021, elected the Executive Mayor, Council Speaker and Municipal Chief Whip.

(g) Council Representation

Political Party	Number
African National Congress (ANC)	10
Democratic Alliance (DA)	7
Patriotic Alliance (PA)	1
Total	18

(h) Members of Municipal Council (2021-2026)

No	Name Of Councillor	Position
1.	Mbotya T P	The Speaker – Chairperson of IYM Council
2.	Zonke N P	IYM - Executive Mayor
3.	Davids L	Chief Whip and Portfolio Head : Technical Services
4.	Ndondose S	Portfolio Head : IPED
5.	Mongo N N	Portfolio Head : Community Services and Ward 6 Councillor
6.	Masawe S	Portfolio Head :Budget and Treasury and Corporate Services

7.	Biko N	MPAC Chairperson and Ward 1 Councillor
8.	Dakuse A	Councillor Ward 3
9.	Desha M	PR Councillor (DA)
10.	Featherstonehaugh	Ward 5 Councillor (DA)
11.	Jacobus R	Ward 7 Councillor (DA)
12.	Lawens B	Ward 4 Councillor (DA)
13.	Rasmeni M	Ward 2 Councillor (ANC)
14.	Smith Z	PR Councillor (DA)
15.	Van der Merwe J	PR Councillor (DA)
16.	Vorster H	Ward 9 Councillor
17.	Samuels C	PR Councillor (PA)
18.	Reeners J	Ward 8 Councillor

(i) Mayoral Committee Representation

No	Political Party	Representative Member	Designation
1	African National Congress	Cllr. N.P. Zonke	Executive Mayor
2	African National Congress	Cllr. L. Davis	Chief Whip
3	African National Congress	Cllr. S. Ndongose	MMC - IPED
4	African National Congress	Cllr. S.V. Masawa	MMC: BTO and Corporate Service
5	African National Congress	Cllr. N. Mongo	MMC: Community Services

(j) Council Oversight Committees

Municipal Councils exercise both legislative and executive functions. This is intended to facilitate hands-on governance and synergy between elected representatives, the executive and the administration. The proximity is meant to facilitate a more vibrant and responsive municipality that would ultimately result in efficient service delivery.

These committees are established in terms of Sections 79 and 80 of the Municipal Structures Act no. 117 of 1998, in order to deliberate and make recommendations to the Council.

The Council as a legislative Political Structure is entrusted with the oversight responsibility on matters pertaining to the developmental progress and implementation of service delivery projects. There are various Portfolio Committees as legislated through section 80 of the Municipal Structures Act 117 of 1998 that are each convened by the members of the Executive Committee who play a political oversight on various activities that are implemented by Municipal Administration Departments.

The Council of Inxuba Yethemba Municipality has five (5) Standing Committees with fair representation in Committees.

Members of the Mayoral Committee are tasked with the responsibility of chairing the supporting Committees. The political team is made up of councillors and headed by the Executive Mayor supported by the Mayoral Committee and the Speaker, making strategic and policy decisions for the residents and businesses.

2.7.1 S80 Standing Committees

All the S80 Standing Committees report to the Executive Committee, whose chairperson is the Executive Mayor, which takes decisions and resolves to recommend to Council for the implementation of service delivery matters. These S80 Standing Committees are as follows:

No	Name of Standing Committee
1	Portfolio Committee on Budget and Treasury
2	Portfolio Committee on Integrated Planning and Economic Development
3	Portfolio Committee on Technical Services
4	Portfolio Committee on Corporate Services
5	Portfolio Committee on Community Services

2.7.1.1 Composition of Section 80 Committees

(a) Budget and Treasury Standing Committee

No	Member Name	Designation
1.	Councillor Masawe	Portfolio Head (Chairperson)
2.	Councillor Biko	Member
3.	Councillor Reeners	Member
4.	Councillor Vorster	Member
5.	Councillor Samuels	Member

(b) Community Services Standing Committee

No.	Member	Role
1.	Councillor Mongo -	Portfolio Head (Chairperson)
2.	Councillor Dakuse	Member
3.	Councillor Biko	Member
4.	Councillor Desha	Member
5.	Councillor Smith	Member

(c) Corporate Services Standing Committee

No.	Member	Role
1.	Councillor Masawa	Portfolio Head (Chairperson)
2.	Councillor Lawens	Member
3.	Councillor Dakuse	Member
4.	Councillor Rasmeni	Member
5.	Councillor Van Der Merwe	Member

(d) Technical Services Standing Committee

No.	Member	Role
1.	Councillor Davids	Portfolio Head
2.	Councillor Dakuse	Member
3.	Councillor Biko	Member
4.	Councillor Featherstonehaugh	Member
5.	Councillor Samuels	Member

(e) IPED Standing Committee

No.	Member	Role
1.	Councillor Ndongose	Portfolio Head
2.	Councillor Reeners	Member
3.	Councillor Rasmeni	Member
4.	Councillor Van Der Merwe	Member
5.	Councillor Jacobus	Member

2.7.2 Section 79 Oversight Committees

The Municipality has got the following S79 Oversight Committees established in terms of Section 79 of the Municipal Structures Act 117 of 1998:-

No	Name of Committee	Functionality Status at 30 June 2024
1	Municipal Public Accounts Committee	Functional
2	Audit Committee	Functional
3	Women Caucus Committee	Functional
4	Ethics Committee	Functional
5	Municipal DC Board	Functional

2.7.2.1 Municipal Public Accounts Committee (MPAC)

(a) Background

The current Municipal Public Accounts Committee (MPAC) of the Municipality was established at the beginning of the term of the Current Council in 2021. The Committee has been duly established in terms of the Municipal Structures Act 1998, Municipal Systems Act 2000 And Municipal Finance Management Act Of 2003

The Committee (MPAC) reports directly to Council through the Office of the Speaker. In strengthening its oversight capacity the MPAC also co-opts from time to time the Internal Audit as well as the solicitation of the technical support of the Audit Committee. MPAC is a standing invitee to the meetings of the Audit Committee

The primary role of MPAC is to help Council to hold the Executive and the Municipal Administration to account and to ensure the efficient and effective use of municipal resources. It does this by reviewing public accounts and exercising oversight on behalf of the Council.

(b) Functions of the MPAC

The main purpose of MPAC is to exercise oversight over the executive functionaries of Council and to ensure good governance in the municipality. The following:

The Committee in terms of its Mandate and responsibilities as delegated to it in terms of the provisions of section 59 of the Systems Act, must on an ongoing basis conduct its oversight over the following Performance Areas:

• Unforeseen and unavoidable expenditure;	• Unauthorised, irregular or fruitless and wasteful expenditure;
• SDBIP;	• Monthly budget statements;
• Mid-year budget and performance assessment;	• Mid-year budget and performance assessment of municipal entities;
• Disclosures concerning councillors, directors and officials;	• Annual financial statements;
• Annual report;	• • Issues raised by the A-G in the audit reports;
• Audit Committee Reports ;	• Disciplinary steps instituted in terms of the MFMA;
• The review of the IDP post elections;	• The annual review of the IDP;
• Performance management plan;	• The draft annual budget with reference to the approved IDP, and;
• Declaration of interest forms submitted by councillors.	•

(c) MPAC Terms of Reference

The Committee Operations are regulated by an annually Council-approved MPAC Charter and the Terms of Reference. The currently used Terms of Reference were passed by Council at the beginning of the year, whilst the Charter was reviewed in July 2024, a year after being in use. The review of the MPAC Charter considered the following: -

- The functions of MPAC as triggered by the review S79 (a) and (b) of the revised Municipal Structures Act
- MPAC Annual Work Plan

The MPAC discharged its Council Mandate as per the Approved Terms of Reference through the Annual Work Plan as aligned to Circular 32 of the MFMA, which was approved for the 2023/24 financial period in July 2023. Progress made in terms of the Annual Work Plan of the Committee is highlighted here below in terms of the following

No	Planned Activity	Status	POE
1	Verification of the Compilation of the Municipal Budget	Accomplished	Report to Council as Item

2	Verification of the Publishing of the Annual Budget by the Executive Mayor	Accomplished	Report to Council as Item
3	Verification of the IDP and Budget Tabling to Council within the specified timelines by the Municipal Manager	Accomplished	Report to Council as Item
4	Interrogation of Approved Budget and related matters	Accomplished	Report to Council as Item
5	Conducting Projects site visit as part of routine Oversight. These also were done in order to do the Independent oversight to Selected Projects that were in the Annual Report	Accomplished	Report to Council as Item
6	Investigation of the UIFWE backlog from 2010 -2014, 2020/21 and 2021/22. This has also formed part of the submitted AFS to the Auditor General. An amount of R81,121,256 comprising of R22,011,458 (irregular historical) , R50,731,11(Irregular 2020/21), R703,072(Fruitless Expenditure), R7,575,615 (Unauthorised Historical)	Accomplished	Report to Council as Item
7	Investigation of UIFWE 2022/23 and 2023/24 in order to meet the National Treasury deadline of the UIFWE reduction Strategy	In Progress	Reduction Strategy populated
8	Conducting Quarterly UIFWE Reduction Impact Assessment	In progress	Memo to be sent to the Office of the Chairperson to develop and customise the Assessment Tool
9	Conducting of the Annual Oversight Process to the 2022/23 Annual Report	Accomplished	The 2022/23 Annual Oversight Report tabled to Council
10	Training of the MPAC members by EC Provincial Treasury on Conducting of UIFWE Investigation	Accomplished	
11	Benchmarking with other Municipalities on Best Practices and Oversight Developments	In the pipeline	Memo to be sent to the Office of the Speaker around the arrangements for the benchmark

(d) Challenges of the MPAC

No	Challenge	Planned Intervention
1	<ul style="list-style-type: none"> Technical Capacity of some of the Members of the Committee which handicaps the efficient discharging and independent of the Committee on certain oversight matters. The Committee has shown some element of reliance on Internal Audit for some matters. 	<ul style="list-style-type: none"> Capacity Building on Practical Hands-on Political Oversight
2	<ul style="list-style-type: none"> Availability of Supporting documentation to enable the Committee to fully complete its work in some areas eg UIFWE Investigation. This has resulted in the UIFWE not fully written off with confidence that the supporting documents are available or not. 	<ul style="list-style-type: none"> Workshop to all role players on the importance of the UIFWE Investigation

3	<ul style="list-style-type: none"> The Committee has not fully implemented the periodic assessment of the impact of the UIFWE as much as the UIFWE Reduction strategy is in place. The ongoing assessment needs to be integral part of the combined assurance together with other assurance providers as the Audit Committee and the AG 	<ul style="list-style-type: none"> MPAC to conduct monthly UIFWE Reduction assessments from Q2 of 2024/25 financial year
4	<ul style="list-style-type: none"> The Review of the SCM Policy as amended has not yet been done by the Committee due to the extent of the time spent in the investigation of the historical UIFWE 	<ul style="list-style-type: none"> MPAC to be workshopped on revised SCM Policy and conduct independent oversight
5	<ul style="list-style-type: none"> Due to the same challenge above the Committee has delayed to review the recently revised SCM Policy for compliance as it will be central in the investigations going forward. 	<ul style="list-style-type: none"> Training of MPAC on Supply Chain Management and SCM Policy and related Legislation

(e) MPAC improvement Plan

Planned Activities	
<ul style="list-style-type: none"> To Conduct MPAC Annual Review session as scheduled for the end of the Q1 of 2023/24 develop and approve its own Improvement Plan. The improvement Plan will holistically look at the Operational Efficiency and Capacity matters of the Committee. The Plan will also seek to improve the working relations with other Assurance Providers and also seek to accelerate the current backlog on the UIFWE to ensure it is brought to 100 % execution. 	
<ul style="list-style-type: none"> The Committee will also consider a practical hands-on capacity building support programme which capacitate and improve the Oversight. The aim of the Committee through this is to make strong in contributing to Good Governance in the remaining years of Council as delegated 	

(f) MPAC Capacity Development Plan

The Committee in its annual review session will amongst other things conduct a Training Needs Analysis of the Members and develop its Annual Training Plan

(g) MPAC Oversight Report Process Plan 2023/24

No	Planned Activity
1	The MPAC will forward a motion to the Council to commence with the 2023/24 Annual Report Oversight Processes earlier in terms of Circular 63. This will ensure that the final Oversight Report is not tabled later than February 2025.
2	The Draft Annual Report which will be a fully blown Annual Report after the tabling of the Audit Report as it would be updated by updates in both Chapter 5 and Chapter 6.
3	The Draft Oversight Process Plan will be developed and submitted to Council by 30 October 2024 for adoption and to give committee go ahead to start the Oversight process based on the Draft Report

(h) MPAC Oversight Meetings - 2023/24

- During the 2023/2024 financial year under review, the following number of Council oversight meetings were held:
- MPAC Meetings were convened per quarter; however, this did not stop extra meetings from convening if need was identified

Nature of Meeting	No. of Meetings
Municipal Public Accounts Committee (MPAC)	6
Special Municipal Public Accounts Committee (MPAC)	1

2.7.2.2 Women's Caucus Committee

No	Member	Political Party	Designation
1	Cllr N. Mongo	ANC	Chairperson
2	Cllr C. Samuels	PA	Deputy Chairperson
3	Cllr N.P. Zonke (Executive Mayor)	ANC	Member
4	Cllr S. Ndondose	ANC	Member
5	Cllr L. Davids (Chief Whip)	ANC	Member
6	Cllr T.P. Mbotya	ANC	Member
7	Cllr B. Lawens	DA	Member
8	Cllr H. Forster	DA	Member
9	Cllr Z. Smith	DA	Member
10	Cllr R. Featherstonehaugh	DA	Member

2.7.2.3 Ethics Committee

No	Member	Designation
1	Cllr A. Dakuse	Chairperson
2	Cllr M. Rasmeni	Member
3	Cllr J. Reneers	Member
4	Cllr B. Lawens	Member
5	Cllr C. Samuels	Member

2.7.2.4 Petitions Committee

No	Member	Designation
1	Cllr A. Dakuse	Chairperson
2	Cllr J. Reneers	Member
3	Cllr C. Samuels	Member

2.7.2.5 Audit Committee

The role of the Inxuba Yethemba Municipality Audit Committee is defined in terms of MFMA S166(4), S166 (5) and at the Inxuba Yethemba Municipality, with Internal Audit unit reporting to it administratively reporting to the Office of the Municipal Manager whilst providing support to this Committee.

The Audit Committee reports directly to Council, providing opinions and recommendations on financial processes and performance.

In fulfilling its role and in carrying out its duties and responsibilities, the Audit Committee may conduct such investigations and seek from any employee or Councillor such information as it considers necessary to enable it to fulfil its functions, and all employees and Councillors are required to co-operate with any request made by the Audit Committee. The committee must consider and recommend improvements in financial control and accounting systems as well as assess extraordinary items or abnormal disclosures with specific reference to: -

- The annual financial statements;
- Accounting policies and practices;
- Specific strategic reports;
- External audit procedure;
- The annual external audit report before submission to the relevant committee;
- All Internal audit activity;
- Compliance with law, audit and accounting standards; and
- Reports of the Head: Investigations.

Audit committee members do not have any authority to make any decisions on behalf of the Council.

In terms of the Municipal Audit Committee's functionality and oversight process, the following is applicable;

- All reports requiring Audit Committee consideration shall first go to the Management Committee
- The reports shall then go to the Audit Committee which shall meet at least once every quarter;
- Audit Committee Meetings were held per quarter and, also extra meetings were held when an urgent need was identified. Audit Committee Recommendations are listed as Appendix G.

(a) The Audit Committee Responsibilities: -

Financial Statements

- Ensure that all financial reports are complete and consistent with the information required. Review financial reports with management and the external auditors, before filing with regulators.

Internal Control

- Ensure the effectiveness of the council's internal control over annual and interim financial reporting, including information technology security and control. Understand the scope of internal and external auditor's review of internal control and obtain reports on significant findings with specific reference to the safeguarding of assets, accounting records and the maintenance of effective internal control systems.

Internal Audit

- Review with management the charter, plans, activities, organisational structure of the internal audit activity. Ensure there are no unjustified restrictions or limitations. Review the effectiveness of the internal audit activity, including compliance with the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing. On a regular basis, meet separately to discuss any matters that the committee or auditors believe should be discussed privately.

External Audit

- On a regular basis, meet with the external auditors to discuss any matters that the committee or external audit believes should be discussed privately.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of investigations, follow-ups of any instances of non-compliance. Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to Council personnel and for monitoring compliance therewith. Obtain regular updates from management and legal counsel regarding compliance matters. Assess the reliability of performance information reported and commission in-depth performance investigations where there is continued poor performance. Evaluate the committee's performance on a regular basis. Institute and oversee special investigations as needed.
- Review and assess the adequacy of the committee's Charter annually, requesting Executive Committee approval for proposed changes. Confirm annually that all responsibilities outlined in this charter have been carried out. Section 14(4) (a) (iii) of the Local Government Municipal Planning and Performance Management Regulations requires that the Audit Committee submit a report to the Municipal Council at least twice a year, regarding the Performance Management System.

(b) Members of the Audit Committee

No	Member	Designation
1	Ms. Alucia Van Zyl	Chairperson
2	Ms Zingisa Mgaga	Member
3	Mr Jackson Mbawuli	Member
4	Mr Phumzile Songo	Member
5	Mr Abor Yeboah	Member

(b) Reports considered by the Audit Committee

During the 2023/24 Financial Year, the Audit Committee has complied with its responsibilities arising from section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) and clause 14(2) (a) of the Municipal Planning and Performance Management Regulations of 2001.

Below are the Q4 Reports considered by the Audit and Performance Committee, whilst the Annual Report of the Chairperson of the Committee is attached as **ANNEXURE 4**.

Performance Management Reports

- Draft 2024/25 IDP & SDBIP
- Internal Audit Report – Draft 2024/25 IDP & SDBIP
- PMS Draft Report – Q4
- PMS Internal Audit Report –Q4

BTO Reports

- MFMA S52d Report – Q4
- SCM Reports – Q4
- Traffic fines report – Q4
- 2022/23 Draft Audit Improvement Plan
- mSCOA Compliance report – Q4
- Draft Revenue Enhancement Strategy
- AFS Preparation plan
- 2023/24 Interim Financial Statements

Internal Audit Reports

- Supply Chain Management Internal Audit Report
- Revenue Management Internal Audit Report
- Inventory Management (Count) Internal Audit Report
- Records Management Internal Audit Report
- Internal Audit Follow-up Report
- Follow-up Report - AIP
- Internal Audit Report – Interim Financial Statements Audit
- 2023/24 Internal Audit Progress Report
- Draft 2024/25 Internal Audit Plan

Risk Management Report

- Risk Management report – Q4

Corporate services

- ICT Report – Q4
- Litigations Report (In-committee)- Q4

2.7.2.6 Municipal Disciplinary Committee Board

No	Member	Designation
1	Ms A. Van Zyl	The Chairperson of the Audit Committee
2	Ms. N. Notshulwana	The Chief Audit Executive (IYM)
3	Adv. N. Phiti	The Legal representative from Chris Hani District Municipality
4	Mr M. Mahokoto	Labor Relations Officer (IYM)

2.7.3 Municipal Annual Calendar

Inxuba Yethemba adopted their Municipal Annual Council Calendar on the 30th of June 2023 for implementation in the year under review. Four (4) Ordinary Mayoral Committee (MAYCO) Meetings were held & five (5) Special MAYCO Meetings were held for the year under review Chaired by the Executive Mayor. Subsequently four (4) Ordinary Council Meetings were held and Five (5) Special Council Meetings were held in the year under review chaired by the Speaker. On a quarterly basis, within 30 days after the end of each quarter three)3) Standing Committee Meetings were held in the year under review and one (1) Standing Committee Meetings falls on the next financial year.

Summary of Meetings Held by Various Oversight Structures

Structure	No. of Meetings
Ordinary Council	4
Special Council	5
Mayoral Committee	4
Special Mayoral Committee	5
Municipal Public Accounts Committee (MPAC)	4
Special Municipal Public Accounts Committee (MPAC)	1
Audit Committee	4
Special Audit Committee	1
Budget and Treasury Standing Committee	3
Integrated Planning and Economic Development Standing Committee	3
Corporate Services Standing Committee	3
Technical Services Standing Committee	3
Community Services Standing Committee	3

2.7.4 Register of Council Resolutions

A Council Resolution Register is developed to record all decisions of Council and this process is facilitated by the Accounting Officer. The Council Resolution Register is developed and presented before Council on a quarterly basis. All the Council decisions are implemented by Management. And on a quarterly basis, the accounting officer is required to provide progress on the implementation of Council decisions. The total number of council decisions recorded

for the year under review at Inxuba Yethemba were Two hundred and sixty eight (268). This number includes resolutions which were for noting and other needed Council to resolve on them such on the budget MTREF and IDP, land application, MFMA S52 (d) , MFMA s72 Report etc.

2.8 Administrative Governance and Administrative Governance Structures

Department	Head of Department	Designation	National Key Performance Areas
Office of the Municipal Manager/ Mayoral Office	Mr. M.W. Mbebe	Municipal Manager	IDP Process Assessment of the municipality's performance management system Assessment of whether the municipality performance system complies with the Act An assessment of the alignment of objective, output and measures Review of Risk Management Strategy and Framework Ensuring effective and functional Internal Audit Systems Youth Development and Empowerment Community public consultation and ward committees Communications and municipal branding Sport management services Effective and functional war rooms through Operation Legal Support Services

Department: Corporate Services	Mr. S.J. Dayi	Director: Corporate Services	<p>Leave Administration</p> <p>Staff Records and Appointments</p> <p>Administration of IOD's and Pension Claims</p> <p>Training Programmes Undertaken and submissions to LGSETA</p> <p>Employee Study Bursaries</p> <p>Information Technology – Governance, Security Management, User Access Control, Program Change Management, Services Continuity</p> <p>Provision Council Support Services</p> <p>Implementation of Employment Equity Plan</p> <p>Compliance with National Archives and Records Management Act</p> <p>Administration</p>
Department: Community Services	Mrs N. Majiba	Director: Community	<p>Collection of Fines Paid</p> <p>Fleet Management and Fuel Consumption</p> <p>Licensing collections</p>
Department: Integrated Planning and Economic Development	Mrs Makwabe	Director: integrated Planning and Economic Development,	<p>Administration of Land Sales</p> <p>Administration of Housing Projects</p> <p>Administration of LED Projects</p> <p>Town Planning</p> <p>GIS</p> <p>Tourism and Museum</p>
Department: Budget and Treasury	Ms V. Singeni	Acting Chief Financial Officer	<p>Creditors Run and reconciliation</p> <p>Long Term Loans</p> <p>Reconciliation</p> <p>Grants Reconciliation</p> <p>Fixed Assets Register and Asset Count</p> <p>Investment and Interest Charged</p> <p>Inventory / Stock Control</p> <p>Cash Taking</p> <p>Banking and Bank Reconciliation</p> <p>Debtor Processes and Month End Trial Run for Services Rendered</p> <p>Suspense Accounts; Commitments</p> <p>Fruitless and Wasteful Expenditure</p> <p>Journals Processed</p>

			Implementation of Indigent Policy Salary Run, and ACB Financial System Transaction Listing Supply Chain Management Process Contract Payments Review of Mid-Year and Annual Financial Statements Review of Mid-term and Annual Budget Valuation roll and Rates Assessment
Department: Technical Services	Mr S. Nomandela	Director: Technical Services	Projects Management Unit Grants Funding Maintenance Electrical Services Roads and Storm water (surfaced and no-surfaced) Building Maintenance

COMPONENT B: INTERGOVERNMENTAL RELATIONS

The Municipal Systems Act, No. 32 of 2000 (MSA) Section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisage in the Constitution section 41

Before 1994 South Africa had fragmented administrations: this meant that citizens were divided geographically with different population groups living in different suburbs and areas and only a small minority of residents benefited from development. Today South Africa has a unitary, yet decentralised, state with nine provincial governments and more than 283 municipalities.

The Constitution and the new democratic government recognise that the three spheres of government cannot function in isolation. Decentralisation and co-operation is critical to the successful transformation of the state in the coming decades.

The role of local government in Intergovernmental Relations has moved extensively from the symbolism of the past to meaningful interaction of common benefit with far reaching implications for the image of South Africa, and the development agenda at a local government level.

In this regard it has been determined that the growing demands and complexity of South African municipal service-delivery imperatives have impacted significantly on the range and depth of skills and competencies required from within the municipal economy. This has necessitated serious consideration of municipal international relations as an increasingly viable conduit for scarce skills and resources.

IYM like many other municipalities in South Africa partakes in several Intergovernmental structures in the country and the most notable ones are relationships with municipalities that are within our close proximity. These relationships have yielded positive results such as mutual

interest in government programmes, the creation of an atmosphere of good governance, commitment to deliver equitable and qualitative services to our communities. Areas wherein these relationships continue to thrive are:

- District Speakers Forums.
- District IGR forum, and The Technical Intergovernmental Relations Structure.
- DIMAFU

This Technical Structure is constituted by all the Sector Departments operating within both the District and IYM. Safe to say that some Departments are not consistent in attending the Quarterly meetings that are convened by the IYM Municipal Manager. Through this structure as government we have been able to share and monitor our service delivery programmes and projects implemented within our jurisdiction. This structure is relatively functional though there is still a room for improving its performance to levels that we are all able to plan together for the service delivery provision within IYM. It's envisaged that over time the acceptable and effective cooperation will be realised more so if we all internalise the IYM IGR Framework that was draft by the same Team recently. Its approval by Council will give the required impetus and improve its operational efficiency.

The political IGR forum chaired by the Executive Mayor convened 4 Quarterly IGR Meetings. Participation of external stakeholders' i.e. Government Departments has immensely improved.

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on National level:
SALGA meetings

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

The Municipality attends the following meetings on Provincial level:

No	Structure attended or participating in
1	• Premier's Coordinating Forum (Technical & Political Structures)
2	• MUNIMEC (Technical & Political Structures)
3	• Provincial Speakers Forum
4	• COGTA Local Government Indaba

The Municipality attends the following meeting on District Level:

No	Structure attended or participating in
1	• DDM Political Hub
2	• DDM Technical Hub
3	• DDM Cluster Meetings
4	• Speakers Forum

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

PUBLIC MEETINGS

Public meetings are held with the Community especially as relates to the prioritising of Community and Infrastructure Projects.

Public Meetings	Dates	Venue
IYM and Department of Transport: ITCC : Introduction of the Contractor	04 August 2023	Middelburg Town Hall
Progress report on project to Communities; Renewable Energy Project R56 Road Rivier Weg Joko Street ITCC & Weigh Bridge	17 October 2023	Middelburg Town Hall
Introduction of the Contractor; Refurbishment of Cradock Sport field.	01 November 2023	Sports ground (Cradock)
IDP Roadshows	08-28 November 2023	ALL IYM HALLS except for ward 4 the venue was Sonskyn
Inxuba Yethemba Municipality and energy renewable, report of on Kuruson 1&2 to the Community	26 January 2023	Mayors Garden
PUBLIC MEETING : Inxuba Yethemba Municipality and Sanral R56, ITCC and Wiegh Bridge including Kuruson 2	27 February 2024	Mayors Garden
Introduction of the Contractor for Refurbishment of Sikhulu Street	12 March 2024	Vusubuntu Hall
IDP Roadshow	09 -25 April 2024	All IYM Hall except for ward 4 the venue is Sonskyn
IYM and Sanral: Introduction of the new road infrastructure	07 May 2024	Vusubuntu Hall
IYM AND Department of Humansettlement ; Introduction of the Contractor for 195 houses and for reticitation of 200 houses in Middelburg	24 th May 2024	Lusaka Hall
IYM and SANRAL ; National route R390 Section 1; Cradock cutting National Route N10 Section 4; witkrans nel cutting Public meeting for election of PLC'S	04 June 2024 05 June 2024	Vusubuntu Hall Middelburg Town Hall
Handover of the Contractor Paving of ward 4 internal roads	02 July 2024	Vusubuntu Hall

Public meeting ; Verification of 195 beneficiaries for Lusaka project	21 August 2024	Lusaka Hall
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IDP PARTICIPATION AND ALIGNMENT

Table 4: 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
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	No
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

COMPONENT D: CORPORATE GOVERNANCE

ENTERPRISE RISK MANAGEMENT

(a) Membership of the Risk Management Committee

No.	Name	Portfolio
1.	Mr MH Kali	Chairperson
2.	Mr MW. Mbebe	Municipal Manager
3.	Ms V. Singeni	Chief Financial Officer (Acting)
4.	Mr S. Nomandela	Director: Technical Services
5.	Ms N. Makhwabe	Director: IPED
6.	Ms N.T Majiba	Director: Community Services
7.	Mr SJ. Dayi	Director Corporate Services (Act: MM)

(b) Other Stakeholders – Standing invitation to attend RIMCO Meetings

No.	Institution Representation	Name of Representative
1.	COGTA	Mr S. Peter
2.	Department of Provincial Treasury	Mr O. Free
3.	Chris Hani District Municipality	Mr M. Delubom
4.	Office of the Auditor General	Senior Manager

5.	IYM -MPAC – Portfolio Head	Mr N. Biko
6.	COGTA	Ms B. Boya
7.	Department of Provincial Treasury	Ms N. Mtintsilana

(c) Strategic Risk Assessment

In response to the Institutional performance gaps noted through the under-achievement of the set performance targets, these highlight some areas of strengthening that were not 100% successful. To this effect, a detailed Strategic Risk Register with mitigating measures has been developed.

Subsequent to the Risk Assessment conducted and assurance provided by the Internal Audit, gaps relating to the risk methodology were identified, including misdiagnosis of risks leading to incorrect mitigating strategies developed and no effect or impact at the end of the year. This is to be monitored in the upcoming financial period. **See Strategic Risk Register.**

(d) Top 5 Strategic Risks were identified during 2023/24 per key performance area's strategic objectives:

KPA	Strategic Objective (As per Risk Register)	Related Strategic Risk	Comments
Basic Service Delivery and Infrastructure -	To ensure efficient infrastructure and energy supply that will contribute to the improvement of life for all citizens for Inxuba Yethemba	<ul style="list-style-type: none"> Inadequate provision of roads, water, electricity and sanitation. Inability to meet the service delivery requirements 	<ul style="list-style-type: none"> These Strategic Objectives and risk description have since been revised in the 2024/25 Risk Register. These will be reviewed by Committee and MPAC in the Oversight Report. The Municipality to do a reconciliation of the Strategic Objectives as per Strategic Planning Resolutions against the 2024/25 Draft IDP Objectives for consistency. Municipality will revise the Strategic Objectives as part of Mid-year review to ensure they are SMART
Local Economic Development	<ul style="list-style-type: none"> To facilitate sustainable economic empowerment for all communities within Inxuba Yethemba LM and enabling a viable and conducive economic 	Failure to create an enabling environment to develop and grow the local economy.	Same as above

	environment through the development of related initiative including job creation and skills development		
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> To provide an effective and efficient workforce by aligning our institutional arrangement to our overall strategy to deliver quality services 	<ul style="list-style-type: none"> Inability to attract and retain competent and skilled labor force. (HR Related) Ineffective Business Continuity System and Security Control measures (ICT related) 	Same as above
Good Governance and Public Participation	To create an efficient, effective , accountable and performance administration	<ul style="list-style-type: none"> Inability to subscribe to the beliefs and values of the organization. Non-compliance with Regulation Public/Community apathy (loss of interest) 	To focus is Administration, the Political is not included. The objective should be relating to the institution.
Financial Viability And Management	To ensure the financial sustainability of the Municipality in order to adhere to Statutory requirements	Inability to ensure sustainable ad effective management of financial resources	<ul style="list-style-type: none"> These Strategic Objectives and risk description have since been revised in the 2024/25 Risk Register. These will be reviewed by Committee and MPAC in the Oversight Report. The Municipality to do a reconciliation of the Strategic Objectives as per Strategic Planning Resolutions against the 2024/25 Draft IDP Objectives for consistency. Municipality will revise the Strategic Objectives as part of Mid-year review to ensure they are SMART.

(e) Risk Management monitoring process

Risk Management monitoring is done Quarterly through risk monitoring reports that provide progress on the implementation of the risk mitigation measures and the movement of the residual risk. The process for the compilation and submission of Risk Management Monitoring report was generally conducted as follows;

1. Development of a monitoring tool for directorates to update implementation of risk mitigation measures.
2. Upon receiving the monitoring tool, POE's are validated and risk management report is consolidated
3. Risk management report is submitted to risk management committee for consideration.

(f) Risk Management Implementation Status as at 30 June 2024. See TABLE 5 below

Risk Management Implementation Plan – 30 June 2024

Activity	Q1	Q2	Q3	Q4	OUTCOME	Responsible Person	Progress
Terms of reference for the Risk Management Committee				✓	Approved Risk Management Committee Charter to include Risk Management, Anti-Fraud & Corruption, Loss Prevention and Management, Business Continuity and Ethics responsibilities.	Manager: Internal Audit and Risk Management	Achieved
Appointment of Risk Champions	✓				Capacitated Risk Champions on their roles and responsibilities.	Municipal Manager	Achieved
Appointment of the Risk Management Committee Members.	✓				Appointment letter for the Risk Management Committee Members	Municipal Manager	Achieved
Monitor the implementation of Risk Management Action Plan in all departments. ➤ Strategic Risks ➤ Operational Risks ➤ ICT Risks ➤ Fraud Risks ➤ OHS Risks	✓	✓	✓	✓	Issue and present a Monitoring report Risk Committee and Audit Committee Reviewed Risk Management Action Plan.	Risk Management Officer	Monitoring has been conducted for the quarter under review/reporting (Q4).
Update the Risk Register with Auditor General Findings			✓		Report on emerging Risks to Risk Management Committee and Audit Committee	Risk Management Officer	Achieved
Update the Risk Register with Internal Audit Findings	✓	✓	✓	✓	Report on emerging Risks to Risk Management Committee and Audit Committee	Risk Management Officer	Achieved – Risk register has been updated and assessments were done in the risk assessment workshop.
Conduct Risk Assessment workshop for 2024-2025			✓		Risk registers	Manager: Internal Audit and Risk Management	Achieved- Risk Assessment workshop was conducted on the 4 th and 5 th June 2024.

Conduct Fraud and Corruption awareness workshops to Councillors and Employees.			✓		Capacitated Councillors and officials on fraud prevention	Manager: Internal Audit and Risk Management	Achieved- Risk Assessment workshop was conducted simultaneously on the 4 th and 5 th June 2024.
Reporting to Management	✓	✓	✓	✓	Minutes of management meetings	Manager: Internal Audit and Risk Management	Achieved – reporting to management has been done during the quarter under review (Q4).
Risk Management Committee Meetings	✓	✓	✓	✓	Minutes of Meeting to monitor the implementation of the Risk Plan.	Manager: Internal Audit and Risk Management	Achieved – Meeting scheduled for the 19 th June 2024 at 09:00 am.
Review of Risk Management Framework policies. <ul style="list-style-type: none"> Enterprise Risk Management Framework policy Anti- Fraud and Corruption Strategy and plan Loss prevention and management policy 				✓	Revised Risk Management policies	Manager: Internal Audit and Risk Management	Achieved – Review of all risk management strategic documents was conducted on the 18 th June 2024.
Audit Committee Meetings	✓	✓	✓	✓	Reports produced on a quarterly basis.	RIMCO Chairperson	Risk Management report will be tabled in the next Audit Committee meeting.
Develop a Risk Management Implementation Plan for 24/25				✓	Risk Management Implementation Plan for 2024/25	Manager: Internal Audit and Risk Management	Achieved

(g) Risks deferred to 2024/25 financial year.

The table below reflects all the risks that could not be mitigated in the current financial year and have been deferred to the 2024/25 financial year due to budget constraints. The risks below will be included in the 2024/25 Risk Registers and will receive priority attention.

Risk Ref.	Risk Description	Actions to improve management of the risk/ Mitigation Plans	Action Owner
SSR	Inability to attract and retain a competent and skilled labour force.	Filling of critical substantive, vacant and funded posts in the organogram be prioritised and staff turnover rate be managed effectively.	Director: Corporate Services
SSR	Inability to ensure sustainable and effective management of financial resources.	Development of an institutional comprehensive revenue enhancement strategy	Chief Financial Officer
CSD	Lack of employment equity plan and process.	Re-establishment of employment equity forum.	Director: Corporate Services
COM	Inability to provide adequate traffic services (vehicle testing services).	Upgrading of the two (2) Vehicle Testing Stations	Director Community Services & Manager: Protection services
COM	Inability to provide adequate efficient pounding services.	Construction of pounds	Director Community Services & Manager: Protection services
COM	Inability to provide efficient maintenance services to facilities.	Motivate for the availability of budget for the purchasing of machinery	Director Community Services
MMO	Ineffective implementation of SPU strategy and policy.	Appointment of a Special Programmes Unit (SPU) Coordinator	Municipal Manager
MMO	Ineffective implementation of public participation strategy and policy.	Develop and implement a petitions policy	Public Participation Officer
MMO	Ineffective internal audit unit and audit committee.	Enhance internal audit capacity (Senior IA & internal auditor).	CAE
ICT	Inability to run weekly data backups.	Develop a Disaster Recovery Policy, Disaster Recovery Strategy and Test Plans, Continuous monitoring of UPS	ICT Manager

ICT	Inability to maintain 95 percent systems uptime.	Continuous monitoring of UPS Performance	ICT Manager
TSD	Electricity Distribution losses	Fencing of substations	Manager: M&E
OHS	Inability to pay COID levies/ contributions.	Request allocation of budget for COID levies from the institution budget and for the payment of COID levies.	Occupational Health and Safety Officer
OHS	Ineffective OHS processes and systems in place.	Training of first aiders	Occupational Health and Safety Officer
BTO	Effective fleet management	Emphasised that Directorates continue to monitor effective fleet maintenance to reduce risks associated with fleet management.	CFO

(h) Risk Management Committee Resolutions

Status as at 30 June 2024

2023/24 RISK MANAGEMENT AND RISK MANAGEMENT COMMITTEE RESOLUTIONS					
	Item No.	Resolution	Responsible Person	Progress	Status
17 th JULY 2023					
17/07/2023	01	The Corporate Services Director is to report on the progress made in completing the ROEs and payment of COID.	Director: Corporate Services/ CFO	The Municipality is currently in the process of performing figures reconciliation with the Department of Labour, as soon as everything is finalised, the payments will be done.	Partially implemented
17/07/2023	02	Challenges raised by the Audit Committee should be included in the risk management monitoring report of Q1.	CAE	Addressed	Implemented
17/07/2023	03	Risk Management monitoring should be a standing item in the management meeting.	CAE	Addressed	Implemented
13 th OCTOBER 2023					
13/10/2023	04	RMO to indicate dates of any event or activity that has occurred emanating from the risk management work plan.	CAE	Addressed	Implemented
13/10/2023	05	The municipality is to report on how it plans to maintain and or, upgrading of the aging infrastructure.	Director: Technical Services	Addressed, report/plan to be presented in the meeting	In-progress

13/10/2023	06	The municipality is to report on the ineffectiveness of business continuity systems and measures that are in place.	MM	The municipality has already consulted with the service provider on the development of the business continuity plan	In-progress
15TH JANUARY 2024					
15/01/2024	07	Directorate: Technical Services and IPED implementation status for quarter 2 need to be revised for the true reflection of the progress made.	IPED & Technical Services Director and CAE	Addressed	Implemented
15/01/2024	08	Office of the MM to draft a report that will outline the structure and elements of the IYM business continuity.	MM	Addressed	Implemented
15/01/2024	09	ICT and OHS portfolio managers must prepare detailed written reports that are inclusive of the timelines for the implementation of the projects.	Director: Corporate Services	ICT and OHS reports form part of the RIMCO pack of the next meeting (19 th April 2024).	Implemented
15/01/2024	10	The Corporate Services Director to write a formal report for the committee focusing on staff retention, staff turnover, and vacancy rate of the institution's organogram.	Director: Corporate Services	Not Addressed	Not Implemented
19TH APRIL 2024					

19/04/2024	11	The Community Services Director to give progress made on the procurement of the VTS in the next quarterly meeting.	Director: Community Services	Number of vehicle testing stations KPI: 2324.2.5.5 The performance target for financial year 23/24 was not achieved. The VTS tender was advertised in the Daily Dispatch newspaper on the 06 th May 2024, attached is a copy of the advert. Please note that there were no submissions received on the closing date for the tender. REMEDY ACTION TAKEN The tender will be re-advertised and the target date is December 2024.	Not Implemented
Special RIMCO Meeting of 18 June 2024					
Review of Risk Management Documents					

(i) Summary of Redflags on Institutional Stability

No	Details	Comments
1	Going Concern	Recurring from previous Financial Period not yet arrested as Risk by the Municipality
2	Statement of Operating Results	The Municipality had a reported Deficit in the previous financial period as well as this year
3	Expenditure Management	Significant Increase in Expenditure in the Current year
4	Emerging Risk	Emerging Risk based on the analysis of the increasing Expense Structure
5	Cost Drive Drivers vs Non	Emergence of spending on some items not in the cost drivers, thus pushing the cost structure higher in the midst of low Revenue Collection
6	Core vs Non-core	Prioritisation and adequate classification not fully achieved and can be a problem if controls are not effected
7	Budget Management and Cash flow	Variance Analysis on certain items shows material departure from the Original Budget, this to be arrested during the Midyear Performance Review
8	Liquidity and Cash Coverage	Municipal liquidity and Cash Coverage is threatened in the absence of cash reserves to sustain the Municipal Operations, whilst the Revenue Collection has not yet picked up to satisfactory levels
9	Long-term Financial Sustainability	Low Revenue base, high-debt impairment and low response in Collection together with Grant dependency are a concern in the absence of a complementing Resource or Funding Mobilization for sustainable Service Delivery

(j) Anti-corruption and fraud

Over and above the general Risk Register prepared by the Municipality, there was still a need to formulate a Register solely for the detection, prevention and mitigation of fraud and corruption. The Register is also assessed as to whether the Action Plans to mitigate risks identified were fully implemented during the cause of the financial year.

Anti-fraud and Corruption initiative entails preventing, detecting and response to fraud instances within the institution. The Internal Audit & Risk Division with the support from COGTA has embarked on conducting awareness workshop in May 2024 to deepen the significance of Anti-Fraud and Corruption and foster ethical behaviour in the municipal environment.

Summary of Fraud Risk Implementation Plan

Risk Profile	No. Of Mitigation Plans For Q4	Achieved	Partially Achieved	Not Achieved	None	Percentages Of Achieved Targets
Fraud Risks	6	5	0	0	1	83%

Anti-fraud and corruption policies and strategies have been adopted by Council for implementation in the upcoming financial year. Internal control deficiencies will be identified and more stringent controls put in place.

The Office of the Municipal Manager is ensuring that consequence management is applied where and when there are instances of alleged fraud and corruption, unauthorised, irregular, fruitless & wasteful (UIFW) expenditure and any other wrongdoing

(k) ICT Risk Register

Information and Communications Technology (ICT) is one of the critical areas in the running of the organisation, therefore Management with Auditor General's recommendation prepared the separate register dealing with ICT related issues.

(l) Risk Management Committee Meetings

Quarters	Targeted No. of Meetings	No. of Meetings Held	Reasons for not Achieving Target	Corrective Measure
1	3	3	N/A	N/A
2	3	3	N/A	N/A
3	3	3	N/A	N/A
4	3	3	N/A	N/A

(m) Conclusion from the Chairperson's Report

The Risk Management Unit will strive to ensure that the identified risks are mitigated and Departments concerned provide necessary evidence demonstrating the processes undertaken to mitigate those risks.

2.10 Supply Chain Management

Supply Chain Management (SCM) may be defined as "the design, planning, execution, control and monitoring of supply chain activities in the delivery of goods, services or any combination thereof". The Municipal Supply Chain Management unit ensures that the procurement of goods and services is done with Inxuba Yethemba Local Municipality in a system that is fair, equitable, transparent, competitive and cost effective. The Supply Chain Management unit has to plan for the annual procurement of goods, services or infrastructure projects in a pro-active manner and move away from merely reacting to purchasing requests. The Supply Chain Management unit ensures that goods and services are delivered on time as per the correct specifications and of the highest quality. The Supply Chain Management unit has compiled its annual report to Council on the implementation of the Supply Chain Management policy. The revised Supply Chain Management Policy was adopted by Council at its meeting that was held in May 2024.

In terms of Clause 6(1)(3) of the Municipal Supply Chain Management Regulations, 2005, it deals with the Oversight role of Council of the municipality or board of directors of a municipal

entity. The Council of a municipality and the board of directors of a municipal entity must maintain oversight over the implementation of its Supply Chain Management policy. The Accounting Officer must, within ten (10) days of the end of each quarter, and within thirty (30) days of the end of each financial year, submit a report on the implementation of the Supply Chain Management policy to the Mayor of the municipality or the board of directors of the municipal entity, as the case may be.

2.10.1 Minimum competency requirements Supply Chain Management

The Inxuba Yethemba Local municipality has developed the Supply Chain Management Policy and it is reviewed annually to cater for the newly introduced supply chain management regulations and guidelines. The Supply Chain Management unit has a total number of 6 permanent employees of which 5 employees meet the minimum competency requirements. It must be noted that the other 1 employee is in the process of completing the outstanding required unit standards of the Municipal Finance Management Program.

2.11 By-laws

By-laws are the laws that governs the town. All by-laws need to be gazetted on the government gazette however there is a process that needs to be followed before they are gazetted.

The process is as follows:

- First the by-law needs to be approved by Council.
- After it has been approved by Council, it needs to go for public comments.
- After the public comments the by-law needs to go back to Council for final approval.
- After it has been approved by Council the by-law may be sent to the government printing works to be gazetted.

For Specific By-laws that were approved during the 2023/2024 financial year, refer to **ANNEXURE B** on Policies and By-Laws.

2.12 Website

List of Publications

Municipal Documents Published	Yes/No
Current annual and adjustments budgets and all budget-related documents	Yes
Budget-related policies	Yes
The previous year's annual report	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All supply chain management contracts above a prescribed value (R100 000)	Yes

2.13 Public Satisfaction on Municipal Services

Under the financial year under review, there were no customer or public satisfaction surveys conducted. As resolved through the Strategic Planning process and subject to financial resources, the matter will be dealt with as an urgency ahead of the next coming elections and a workshop help with all the Stakeholders.

2.14 Internal Audit Function

The Inxuba Yethemba Municipality has an Internal Audit Unit which has been fully functional for the financial year under review.

The Internal Audit function is in house and not out-sourced to an external service provider, and is fully funded from the municipality's operational budget.

The roles and responsibilities of the Internal Audit Unit is set out in Section 165 of the Municipal Finance Management Act, Act No. 56 of 2003 as follows: -

- (a) Prepare on an annual basis a risk-based audit plan and an internal audit programme for each financial year;
- (b) Advise the accounting officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to:
 - (i) Internal audit
 - (ii) Internal controls
 - (iii) Accounting procedures and practices
 - (iv) Performance management
 - (v) Risk and risk management
 - (vi) Loss control
 - (vii) Compliance with MFMA, Division of Revenue Act (DORA) and any other applicable legislation.
 - (viii) Safeguarding of assets.
 - (ix) Appraisal of the economy and efficiency with which resources are employed.
- (c) Perform other such duties as may be assigned to it by the Accounting Officer and Audit Committee

2.14.1 Annual Risk Based Internal Audit Plan

The Internal Audit Unit is accountable for the annual audit plan and functionally reports directly to the Audit Committee and administratively to the Accounting Officer. In terms of the Plan, the generic key focus areas looked at and varied from time to time based on the approval of the Audit Committee, are outlined in the table below:-

Project Focus Area	Scope
Follow-Up Audits For 2022/2023	<ul style="list-style-type: none">- To assess the extent of implementation of corrective and agreed upon actions following the internal audit and external audits performed- To Assess whether the implemented action adequately addressed the root cause of the original findings or weakness identified adequately- To Monitor the outcomes of Internal and external Audit Effort
Audit Of Performance Management Systems, IDP, And Sdbip	<ul style="list-style-type: none">- Review compliance of the IDP, SDBIP and Performance Agreements in terms of activity, content and timeframes- Review compliance of the KPA's and KPI's in terms of the SMART principles- Review performance contracts (linked to IDP) for all Directors and the Municipal Manager;- Review the link between PMS, IDP, SDBIP and Budgets;- Review credibility of POE files;- Conduct physical verification of projects that were reported in APR

Risk Based Audits And Statutory Audits	
2023/2024 Financial Statement Review	<ul style="list-style-type: none"> - Review Accounting Policies and compliance with GRAAP - Ensure that the AFS agrees to the Trial balance and General Ledger - Perform review of financial statements for validity, accuracy and completeness - Review working paper file and ensure that it agrees to information on the AFS, TB and GL
Review of the adjustments budget 2023/2024	<ul style="list-style-type: none"> - Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness - Advisory to management and Council on improving the oversight on the Budget
Audit of the budget 2024/2025	<ul style="list-style-type: none"> - Ensure that all compliance requirements are met - Review budget for validity, accuracy and completeness
Quarterly Audits of Supply Chain Management	<ul style="list-style-type: none"> - Review daily procurements and tender process - Review contract register and contract payments - Review compliance with SCM policy, SCM Regulations and MFMA Circular 68 - Review of the UIFWE Reduction Strategy implementation
Audit of Asset Management	<ul style="list-style-type: none"> - Review monthly asset reconciliations - Ensure asset reconciliation balances to general ledger and trial balance - Review fixed asset register - Test for existence of assets - Review depreciation calculations - Review compliance with GRAAP
Audit of Payroll Management (As part of HR)	<ul style="list-style-type: none"> - Review new appointments - Review employee's exiting the system - Review Overtime Payments - Review Standby allowances - Review Housing & Third-Party payments - Review Staff deductions
Audit of Debtors and Revenue Management	<ul style="list-style-type: none"> - Review processes for main services rendered (rates, electricity, refuse) - Review processes for sundry services rendered - Review Debtors Age Analysis - Review Indigent Database - Review of the Billing System - Review of the Valuation Rolls
Audit of Cash Management (full review of the component to be done during 2024/25 as triggered by the review of Revenue in the 2023/24 financial period)	<ul style="list-style-type: none"> - Review the bank reconciliations

2.14.2 Risk-Based internal Audit Plan and the 2023/24 Annual Operational Plan Status

The three-year risk based 2023/2024 internal audit plan comprises of the following:

- a) Risk Based Audits
- b) Mandatory Audits
- c) Follow-up Audits (both Internal and External), and
- d) Ad hoc Audits

Scope of work	Risk no. as per the strategic/operational risk register	Estimated timing	Budgeted hours	Q1 (July-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-June)
Cyclical Reviews & General management of internal audit function							
Preparation one year Internal Audit Plans	Mandatory/ cyclical audit	June-23					
Reporting and Attendance of Audit Committee meetings	Mandatory/ cyclical audit	Quarterly		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall project management and administration	Mandatory/ cyclical audit	Continuous		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Risk Management activities (Review) Monitoring of mitigating plans.	Mandatory/ cyclical audit	Quarterly	360	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quarterly Performance Information Assess the measurability and relevance of indicators and targets. Ensure that POE agrees to the reported target. Verify that the quarterly reports has been submitted to the Executive Authority within the timeframes required by the Eastern Cape Legislature	Mandatory/ cyclical audit	Quarterly	380	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review of Draft Annual Performance Report Ensure that POE agrees to the reported target.(Testing covers all quarters)	Mandatory/ cyclical audit	Aug 23	260	<input type="checkbox"/>			

Scope of work	Risk no. as per the strategic/operational risk register	Estimated timing	Budgeted hours	Q1 (July-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-June)
Annual Financial Statements (AFS) review Perform review procedures on the AFS to ensure that they comply with GRAP standards; - Ensure that the disclosures of the AFS are appropriate and adequate	Mandatory/ cyclical audit	Aug 23	254	<input type="checkbox"/>			
Follow-up on AG findings (Audit Turnaround Plan) Follow-up on the implementation of AG and Internal Audit Action Plan	Mandatory/ cyclical audit	March 24 & June 24	240			<input type="checkbox"/>	<input type="checkbox"/>
Records Management review <ul style="list-style-type: none"> Existence and Implementation of Record Management policy. Alignment of the policy with National Archives Act. Adherence to the Archives Act Receiving of information from the originator. Storing of the information, storage location, placement, maintenance, and protection of information. Access restrictions. Disposal of information. 	Mandatory/ cyclical audit	April 23	180				<input type="checkbox"/>
Inventory Stock Count – Assurance review (Midyear and annual stock-count)	Mandatory	June 24	120				<input type="checkbox"/>
Risk Based Reviews							

Scope of work	Risk no. as per the strategic/operational risk register	Estimated timing	Budgeted hours	Q1 (July-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-June)
Occupational Health & Safety Compliance Audit <ul style="list-style-type: none"> Compliance with relevant Occupational Health & Safety laws & regulations 	Ineffective OHS processes and systems in place (OHS1-4)	Sept 23	240	<input type="checkbox"/>			
Financial Management Audit <ul style="list-style-type: none"> Payroll Subsistence and travel allowance Petty cash Loss control Creditors reconciliations Bank reconciliations 	Inability to ensure sustainable and effective management of financial resources (SRR8) OR 21/22 AG report	Dec 23	280		<input type="checkbox"/>		
SCM Review <ul style="list-style-type: none"> Quotations Tenders Contract Management Deviations Irregular, wasteful and fruitless expenditure Suppliers performance monitoring Expenditure 	Inability to pay creditors and SMME's within 30 days (BTO1) OR 2021/22 AG Report	Mar 24	330			<input type="checkbox"/>	
Revenue Management Review <ul style="list-style-type: none"> Development and Implementation of policies and procedures Valuation Roll Application processes for municipal services; Billings; Debtor's Master file maintenance; Receipts; Debtor management/collections; Provision for bad debts Indigent Register Property transfer 	Inability to fully implement the credit control policy (BTO2) OR 2021/22 AG Report	June 24	380				<input type="checkbox"/>

Scope of work	Risk no. as per the strategic/operational risk register	Estimated timing	Budgeted hours	Q1 (July-Sept)	Q2 (Oct-Dec)	Q3 (Jan-Mar)	Q4 (Apr-June)
• Grants							
Ad Hoc Reviews.	As per management request 4% of the Total Hours						

2.14.3 Other Internal Audit Assurance Matters for Attention

- The decision to prepare the Interims has yielded positive results during the assurance of the first draft of the AFS based on the work of both Internal Audit and the Audit Committee. The initial review of the Interims has prompted management to improve controls and other matters that were previously findings in the basic review of the final set of the AFS. This has had commendable results from the Audit Committee
- In terms of the Audit universe, substantial areas have been done and the plan for 2024/25 is that the Internal Audit will now focus more on Consulting.
- The follow up reports have indicated that the recommendations have not been implemented over a period of time.
- Management will need to give Internal Audit the developed Internal Controls in the various areas for assessing them and this will be done in the 2024/25 financial year.
- Management needs to ensure that the assurance provided by Internal Audit is effectively embraced so to ensure improved performance. Management must ensure that risks are mitigated through the recommendations from reports of internal audit so as to improve the Risk management profile and therefore improved performance outcomes to advance the core which is service delivery. The drawing board is the Risk at the following year.
- Internal Audit and Risk Management to be the driver of internal roadshows on the Combined assurance to improve the appetite, attitude, Good Governance and Organizational culture so as to improve Service Delivery and Organizational performance.
- MPAC as part of the Oversight and assurance on Supply Chain Management should also ensure that the SCM Policy adequacy review has been done as they are also involved in the investigation of the Irregular Expenditure.
- In the assessment of the audit universe, it has been established that the Municipality needs to recruit an internal resource for the Asset Managed to strengthen co-sourcing as the Asset Management is currently fully outsourced. This will have a positive contribution in reducing the findings within Asset Management

2.14.4 Highlights from the Audit Committee on Year End and Other Compliance Matters

The audit committee reviewed the in-year performance reports and performance results reported by management. Considerable improvements were noted in the effectiveness of the processes and the quality of information reported however room for improvement exists. The Accounting Officer must ensure that Senior Managers submit in-year reports and supporting portfolios of evidence to the performance management unit within the prescribed time frames by implementing consequence management actions against those officials that consistently do not comply with the policy timeframes.

The Audit Committee reviewed, and engaged with the AGSA regarding the engagement letter and Audit strategy documents prior to the AGSA commenting on the external audit

for the period ended 30 June 2024. The Audit Committee is satisfied with the independence of the Auditor General (South Africa).

The audit committee has met on 20 and 28 August 2024 to review and discuss the annual financial statements and the Annual Performance Report for the year ended 30 June 2024 prior to submission to the AGSA on 31 August 2024.

The Audit Committee was pleased with the improvements but was of the view that there is room for further improvements, controls are in place however the existing systems and procedures require enhancement and continued monitoring.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 Focus on Service Delivery

3.1.2 Performance Management

Inxuba Yethemba Municipality has an outsourced Performance Management which has been fully functional for the year under review. The overall responsibility is with an appointed Service Provider working with the Office of the Municipal Manager.

The Municipality has an effective performance management system implemented at top and middle management levels. Service delivery and client service are monitored on a monthly basis and evaluated formally on a quarterly basis. Quarterly reports are submitted to Council Committees.

3.1.3 Municipal results

Level	Terminology	Color Code
5	Outstanding Performance	
4	Performance Slightly above Expectations	
3	Fully Effective	
2	Performance not fully effective	
1	Unacceptable Performance	

ACTUAL PERFORMANCE FOR ORGANIZATION

The above table is used to rate the level of Performance firstly per kpi and then an average per Key Performance Indicator.

Percentage Calculations is done as follows:

- Since Level 3 is Fully effective, it shall serve the basis
- Achievements that are below 2/3 of performance are assigned to Level 1, which will hold a performance of 1/3 which is 33.33% per KPI
- Achievements that are below 3/3 but greater or equal to 2/3 of performance are assigned to Level 2, which will hold a performance of 2/3 which is 66.67% per KPI
- Achievements that are below 4/3 but greater or equal to 3/3 of performance are assigned to Level 3, which will hold a performance of 3/3 which is 100% per KPI
- Achievements that are below 5/3 but greater or equal to 4/3 of performance are assigned to Level 4, which will hold a performance of 4/3 which is 133.33% per KPI
- Achievements that are equal to or greater than 5/3 of performance are assigned Level 5, which will hold a performance of 5/3 which is 166.67% per KPI. Level 5 is the maximum level that can be claimed for achievement

The results were as below

Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
41	35	2.9	2	performance not fully effective	96.75	

3.1.4 Actual performance for KPAs

KPA Performance

KPA	Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Basic Service Delivery	17	15	2.82	2	performance not fully effective	94.12	
Financial Management	4	3	2.75	2	performance not fully effective	91.67	
Good Governance and Public Participation	9	9	3.22	3	performance fully effective	107.41	
Institution Development and Transformation	7	5	2.86	2	performance not fully effective	95.24	
Local Economic Development	4	3	2.75	2	performance not fully effective	91.67	

3.1.5 Departmental performance for year

Department	Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Budget and Treasury	8	7	2.88	2	performance not fully effective	95.83	
Community Services	7	6	2.86	2	performance not fully effective	95.24	
Technical Services	8	7	2.75	2	performance not fully effective	91.67	
IPED	3	2	2.67	2	performance not fully effective	88.89	
Corporate Services	7	5	3.14	3	performance fully effective	104.76	
Office of the Municipal Manager	8	8	3	3	performance fully effective	100	

The Detailed Performance can be found on Annexure D below

3.2 INTEGRATED PLANNING AND ECONOMIC DEVELOPMENT

Introduction

The Municipality has complied with section 20(1) of SPLUMA by adopting the Municipal Spatial Development Framework as a core component of a Municipality's economic, sectorial, spatial, social, institutional, environmental vision. In other words, it is a tool to achieve the desired spatial form of the Municipality. In line with the municipality's mandate to facilitate and promote development in its area of jurisdiction the Section ensured that the municipality has a functional and effective Land Use Management System.

The Section has made some strides in ensuring compliance with the Spatial Planning and Land Use Act No. 13 of 2013 (SPLUMA). The section has complied with section 24(1) of the Spatial Planning and Land Use Management Act by adopting a single Land Use Scheme for the entire jurisdiction of the Alfred Duma Local Municipality.

The Inxuba Yethemba Municipality Integrated Land Use Scheme was gazetted on the provincial gazette during the 2022/23 Financial year as required by the SPLUMA.

The Municipality participates in the District Joint Municipal Planning Tribunal since 2023 and the following are members as approved by Council:-

Name and Surname	Status	Designation
Botsala Moloisi	Member	Manager Town Planning and Building Control
Still to be appointed	Member	Technician

The section has also had functional SPLUMA structures in the 2023/2024 financial year as required by SPLUMA with 1 meeting sitting for the 2022/2023 financial year.

In accordance with the prescripts of the Spatial Planning and Land Use Management Act No. 13 of 2013, the Section in 2023/2024 financial year processed the following development application:

Status of the applications	No. of applications
Received	20
Approved (within 2023/24)	15
Differed	1
Approved in Qtr. 1 2024/25	4

In accordance with the prescripts of the National Building Regulations and building Standards Act No. 103 of 1977, the Section in the 2023/2024 financial year processed the following building plans:

Status of building plans	No. of building plans
Targets for approval of building plans	108
Number of building plans received	130
Number of approved building plans	108
Number of disapproved building plans	0
Number of building plans in circulation	12

The Section has introduced an online system for the submission of Business License applications, this system has started to bear fruits as it has eliminated the timeframe it usually takes to approve a business license application it has also made it possible for applicants to submit applications at the comfort of their homes thereby saving them much needed transportation costs and time.

In accordance with the prescripts of the Businesses Act No. 71 of 1998, the Section in 2023/2024 financial year processed the following business license applications

Status of Business License applications	No. Business License applications
Targets (25 per Quarter)	100
Received	36
Approved	27
Pending	0
Disapproved	9

Challenge: SMMEs not coming to register subsequent to Notices given and workshop held. The Unit has since resolved to remedy the situation / intervene through awareness campaigns starting from Q1 of 2024/25

The Development Planning Section is in the process of developing the Outdoor Advertising Policy, however at the moment the Municipality has got Lease Agreements with the Service Providers and the Public. This will also process Outdoor Advertising Signs both temporary and permanent advertising signs. The following Outdoor Advertising applications were processed

Status of Outdoor Advertising applications	No. Outdoor Advertising applications
Received	2
Approved	2
Lease Agreements	2

3.2.1 HUMAN SETTLEMENTS

In terms of the Housing Act No. 107 of 1997, Housing Code date 2009 and the housing accreditation framework, the Inxuba Yethemba Local Municipality aims to promote, facilitate and develop integrated and sustainable human settlements.

The Municipality undertakes to set housing delivery goals, identify and designate land for housing development, initiate, co- ordinate facilitate, promote and enable suitable housing development. As part of the IDP, to take steps to ensure that the residents of its area have access to adequate housing on a progressive basis and conditions which are not conducive to health and safety are removed.

The role and responsibility of our section pertaining to housing developments projects is to initiate, facilitate and monitor the progress of projects.

The Municipality has developed a Human Settlement Sector Plan (HSSP) that will identify what is required to unlock housing delivery in a particular area of Inxuba Yethemba Municipality, identify what other social and infrastructural services would be required to do so in a holistic and integrated manner.

According to Statistics South Africa, Inxuba Yethemba Municipality has approximately 23,000 households, with a population density of 70,000 people. The total number of houses need to be constructed are included on the Municipal Housing Sectorial Plan

(a) Highlights

The Section over the year under review has got the following notable highlights: -

No	Highlights on Performance
1	Based on the issues that were raised from the Strategic Planning, the Section has been able to effect the following through the 2023/24 SDBIP
2	The targeted number of destitute houses as resolved in the strategic planning have all been completed and handed over by the MEC,
3	The Title deeds for these houses are still in the process, with target delivery date being, estimated to at the latest the net financial year due to the logistical processes including conveyancing and other matters.
4	250 Title deeds for the backlog houses have since been handed to the beneficiary based on the Municipal due diligence process working hand in hand with the Sector Departments.
5	The challenge of the delayed completing of the construction of the 450 rectification houses has since been resolved and 300 houses have been completed and are being occupied. The remaining 150 are work in progress as reported during the 4 th quarter. The Steering Committee Site Report has since been tabled in the Monthly progress meetings by the Contractor. The same report is to be tabled to Council at the end of the Quarter 1 of 2024/25 as part of the post reporting date events.
6	The Service Providers for Township Establishment in Kwanonzame and Midross has been appointed on a multi-year project by the Department of Human Settlement, with the layout plan scheduled before the end of the year to be tabled to Council in September as per their project plan.

(b) Urban Projects Submitted For Approval

The needs of the people in terms of housing have been submitted to the Department of Human Settlement for the duration, progress awaited as there are still with the Department. Different applications which have been submitted are listed in the table below

Applicants Type	Number of Applications	Status
First Time Home Buyers	2500 for Inxuba as a whole	Pending the final consideration of the Department of Human Settlements
Egg Rock Low Cost Income Earners	3000	Pending the final consideration of the Department of Human Settlements
Community Residential Unit s	800	Pending the final consideration of the Department of Human Settlements
Social Housing Rental Units	1000	

(c) Human settlements housing development projects Status Quo Analysis

No	Human settlements planned projects and status:	Other Comments
1	<ul style="list-style-type: none"> Completion of 300 units for Rectification done with 150 reported to be in progress as at 30 June 2024. 	<ul style="list-style-type: none">
2	<ul style="list-style-type: none"> Project on the Upgrading of Informal Settlement Programme at Rosemead. As planned is till stalling as the 3 has got some challenges. The challenge is the budgetary constraints faced by the implementing Agent at the time of Reporting 	To unlock the process, bilateral still to be held between the Municipality and the Department of Human Settlements within the 1 st Quarter of the new financial year .
3	<ul style="list-style-type: none"> The Chris Hani Destitute Programme (800) for the whole region which was under progress has been completed in relation to the target for Inxuba Municipality. Al the 10 units allocated to the municipality have since been completed and handed over. 	<ul style="list-style-type: none">
4	<ul style="list-style-type: none"> 500 which were planned for rectification at Middleburg unit with COEGA appointed as the Implementing Agency has had developments as the Implementing Agent surrendered the contract back to the Department of Human Settlements. The contractor has since bene appointed by the Department of Human Settlement and the MEC introduced it to the Community. The project is projected to kick-off within the first quarter of the 2024/25 Financial Year 	<ul style="list-style-type: none">
5	<ul style="list-style-type: none"> Rosemead 220 project which was planned for the 2023/24 financial year has been halted temporarily due to the delay in introduction of the Contractor 	The matter is scheduled forward to the bilateral between the Department and the Municipality to ensure the project continues by the end of Q1 2024/25
6	<ul style="list-style-type: none"> Midros 493 is that was planned for this financial year responsible for township establishment is 	<ul style="list-style-type: none">

	<p>progressing. The first phase of the Layout Plans will be tabled before the Council in October.</p> <ul style="list-style-type: none"> ▪ Currently busy with the Environmental Impact Assessment. 	
7	<ul style="list-style-type: none"> ▪ Kw9aNonzame 1000 was planned for the 2023/24 financial year, GAP was appointed to implement the program and the work is in progress. Currently EIAs, Township Layout Plans completed and to be presented to Council in October 2024. 	▪
8	<ul style="list-style-type: none"> ▪ 60 Chris Hani Disaster Program which was planned to commence during the 2023/24 financial year had changes since COEGA who was supposed to undertake the project surrendered the Project to the Department of Human Settlement. Another Service Provider has since been appointed with Beneficiary Administration progressing well 	▪
9	<ul style="list-style-type: none"> ▪ 27 Military Veterans Units, land was identified and the service provider (COEGA), which was supposed to undertake the project surrendered the Project to the Department of Human Settlement. The Project is in the procurement of a Service Provider for the building of the Houses for the Military Veterans. These sites have already been subdivided. 	▪
10	<ul style="list-style-type: none"> ▪ Lusaka 595 Project, Service provider has been appointed to complete the 195 outstanding units. 	▪
11	<ul style="list-style-type: none"> ▪ Jolwana & Mgidlana INC were appointed to complete the 418 outstanding Title Deeds of the old project of Vision 2000. The project is progressing with 130 Powers of Attorney signed by the Accounting Officer for the Title Deeds to lodge with the Deeds Office. 	▪
12	<ul style="list-style-type: none"> ▪ Taleni & Kupiso was appointed to transfer 400 units of the Lusaka 595 project. 250 Title Deeds for houses already completed and handed over 	▪

	to correct beneficiaries. The 150 are in progress	
13	<ul style="list-style-type: none"> Application for land acquisition at Fish River Farm was submitted to the Department of Human Settlements. The acquisition of the land from Transnet aimed at providing shelter to the destitute people living in inhumane conditions along N10 Road has the application lodged with the Department of Human Settlement. This is being considered and would be talked in the Bilateral to be convened within Q1 of 2024/25 	<ul style="list-style-type: none">
14	<ul style="list-style-type: none"> Social Housing Programme, (First Time Home Buyers formerly FLISP, Middle Income Rental Housing and Community Residential Units CRU), the Council has resolved that these programmes must be considered for the municipality. The application for these programmes enrolment is in progress, still with the Department of Human Settlements. Appointment of Service Providers for Feasibility Studies is the next phase of the process. 	<ul style="list-style-type: none">
15	<ul style="list-style-type: none"> The municipality is embarking on a program of Accreditation. The municipality shall, in the 2024-25 financial year submitted to the Department of Human Settlements all the required documentation for assessment in order to be accredited for a developer status. 	<ul style="list-style-type: none">

(d) Municipal Spatial Development Framework Review

In terms of the SPLUMA Act and the Municipal Systems Act (MSA), (Act 32 of 2000) the IDP constitutes the blue print of the Municipality's strategies in addressing the socio-economic development needs of the communities and the SDF is prepared in conjunction with the IDP. The Municipality appointed NFA Town & Regional Planners to assist the Municipality with the preparation of a Spatial Development Plan.

The Council took a resolution in 2022 to approve the Spatial Development Framework. Public participation was conducted in both towns and comments from the public and external departments were incorporated.

The current SDF which was tabled and presented to Council will be reviewed after every 5 years, however the current document is to be subjected to review after June 2023 since gaps were noted by Cogta.

(e) Integrated Land Use Scheme Review

The Municipal Integrated Land Use Scheme draft was approved by Council in April 28, 2023. Due to financial constraints the Municipality requested the Department of Rural Development and Land Reform to gazette the reviewed Land Use Scheme.

The Municipality conducted a capacity building workshop for all the building control and built environment stakeholders in Cradock and Middleburg in 2022 and March 2024 respectively, considering the challenges the municipality face with unauthorized building works, builders not adhering to regulations when building, receiving building plans with errors lodged by some of the Draughtsman (Cradock and Middleburg Areas). The workshop was to equip the Draughtsman, Builders the public with knowledge in order to ensure compliance with NBR & building Standard Act and NHBRC regulations.

(f) The Land Disposal Section

This unit is responsible for the disposal (sale of land, exchange or donate of land or donate) of or letting of Council's owned immovable property in order to make economic opportunities available in the Municipality for local investors and shareholders. Furthermore, to ensure the greatest possible benefit to the strategic objectives of the Municipality and the needs and aspirations of the community it serves.

The Municipality has received multiple letters from the public in order to purchase sites for business and residential. The section identified more than 40 sites suitable for residential purposes and presented to the Municipal Council for approval. The office awaits for the Finance Department to appoint a value to determine the market value for each erf. As soon as the value of the sites is determined the office will start with disposing of the sites.

There is a Land Disposal Policy in Place and annually revised and approved by Council

(g) Town Planning Unit

The town planning unit is assigned to conduct inspections on illegal land uses and processes development applications with the Inxuba Yethemba Area. The land development applications are prepared in terms of the Municipal Spatial Land Use and Spatial Management Act (SPLUMA) By-Law. Attached herewith are land development applications for consolidation/ subdivision, rezoning and consent use received.

Emergency Housing Development

The Municipality appointed Professional Mobile Mapping Solutions to compile and submit a land development application on their behalf. The purpose of the application was for the rezoning of Erf 2584, Kwanonzame Township from "Agricultural" to "Residential". The rezoning will give permission for 30 dwelling units to be developed on the property. The Service Provider did not fully perform as per contract and the Municipality subsequently undergo additional procurement processes for the completion of the work

3.2.2 LED STRATEGY REVIEW

The current LED Strategy is a five year working document which was last reviewed in the 2022/23 financial period after having been approved by council for implementation at Inxuba Yethemba Local Municipality.

The IPED department, through its Agricultural, Tourism, SMME sections, Human Settlements and Town Planning sections, are currently implementing the action plan stated in the strategy. The department is reporting on a quarterly bases its progress in implementation. SMME. The role of the SMME development section is to Promote and develop SMMEs operating within the jurisdiction of the Inxuba Yethemba Local Municipality. SMMEs have the potential to reduce unemployment, generate income, create assets, contribute to skills development, reduce the rate of crime and (often violent) service delivery protests, and attract investments in local municipalities.

The SMME development officer position focuses on the needs of all businesses in the retail, wholesale, finance and business services sectors and all other businesses not falling within the scope of Agriculture and Tourism. SMME development has been identified as a cross cutting issue across all sectors and all LED officers should be promoting SMME development in their respective sectors.

The section focuses on SMME governance, development through trainings and information sharing sessions and creating an enabling Environment for growth for local SMMEs.

The IYM LED Strategy is a Sector Plan of the IDP, identifying and out- lining SMME development priorities which are carried into the institutions IDP in order to ensure that funding can be obtained and that projects can be implemented.

Other Plans and Policies in alignment with the LED Strategy

Strategy , Plan Or Policy In Use	Status
LED Strategy	To be reviewed in the 2024/25 Financial period
Investment Plan	To be reviewed in the 2024/25 Financial period
Heritage Strategy	To be reviewed in the 2024/25 Financial period
Tourism Sector Plan	To be reviewed in the 2024/25 Financial period
Agricultural Commonage Policy	Due for review in the 2024/25 financial period
SMME and Cooperative Development Plan	To be reviewed in the 2024/25 Financial Year. The Policy shall going forward be separated as the Cooperative part of the Policy will now be a standalone.
Business Licencing Policy	Due for review in the 2024/25 financial period
Container Policy	In Draft , to be approved in the 2 nd Quarter
Informal Trading Policy	In Draft , to be approved in the 2 nd Quarter
Tourism Amenities Management Policy	To be developed in the 2024/25 Financial Period
Contractor Incubation Policy	In draft , to be approved in the 2 nd quarter
Youth on Agriculture and Regenerative Farming Policy	To be developed during the 2024/25
Work Exposure Program	To be developed during the 2024/25
Agriculture Learnership Policy	To be reviewed in collaboration with Skills Development

SDF (Spatial Development Framework)	In place , to be reviewed in the 2024/25 financial year
Housing Sector Plan	To be reviewed in the 2024/25 Financial period
Revenue Enhancement Plan	To be reviewed during the 2024/25 financial period

3.2.3 PLANNING

GIS use has continued to make a valuable contribution in the Land use development applications. Reporting on the functionality of the GIS is part of the Compliance reporting that the Section does. The Municipality has underutilised the value of the GIS in the integrated planning as a result the position of the GIC coordinator has not yet been filled. The benefit of the GIS is understated and therefore lost as it would benefit the Municipality across different sections.

The current position of the GIS Technician is in the Organogram but however it is not budgeted for. It is recommended that the Municipality budgets for the GIS position and recruitment processes be concluded, alternatively an internship or contractor personnel be recruited whilst the Municipality builds funding.

The Municipality can also reduce the Findings by the Auditor General if the GIS position has been filled.

The Absence of the GIS is also a disadvantage as the Municipality is going to conduct Land Audit

3.2.4 PROJECTS IMPLEMENTED

The following Projects have been implemented during this Financial Year:

(a) Promotion of SMMEs

Intervention	Status	Other Comments
Registration of Companies in the CIPC	In-house Registration through the CIPC system , resulting in 16 SMMEs being registered successfully	N/A
Development of Business Plans	Working with SEDA, the IYM does referrals for Business Plans. A minimum of 4 referrals resulted in their business plans developed by SEDA	N/A
Support in Sourcing of Funding	Internal Funding Model in place facilitated the funding of 6 SMMEs. 65 SMME were also funded through the SEDA. Department of Smalls Business Development funding secured for	N/A
Capacity Building Initiatives	Based on the needs analysis , the following areas of training were conducted as in formed by the Annual Training Plan:- Trained in Financial Management, Governance, Marketing and Compliance. Sector specific trainings conducted , these include the NHBRC , HCCP,	N/A
After Service	Done at least quarterly	The initiative has resulted in further capacity building and

		governance building support need
Monitoring and Evaluation	Done at least quarterly	Shortage of staff sometimes leads to the scheduled monitoring not happening as desired.
Stakeholder Engagements	LED Forums, Contractors Forum and Caterers Forums held Quarterly in the previous financial period. Municipality also participates in the PLC of the Mega Projects	Focus to be contained within the LED Forum and the Business Forum as the mother body of the others.

(b) Other Challenges on the SMME Support

No	Issue Identified
1	Business Continuity
2	Sustainability of Business
3	Operations maintenance
4	Inability to monitor the SMMEs that are funded by Sector Departments
5	Project Management

3.2.4 AGRICULTURE SECTION

The integrated planning and Economic Development Agricultural Section provides efficient and effective land use management and land use development and to initiate coordinate and facilitate sustainable Agricultural programs for small holders scale farmers and small scale subsistence farmers, In the period under review Inxuba Yethemba Municipality has continued to support emerging farmers through the implementation of pro-agriculture and rural livelihoods projects. The milestones achieved are summarized under the following key performance indicators. These indicators were:

No	Highlight
1	Inxuba Yethemba Municipality Commonage Upgrading.
2	Erecting of jojo tanks in IYM Commonages in both units.
3	Building of dip tank.
4	Constructing of windmills.
5	Construction of water dams and water

3.2.5 TOURISM

3.2.5.1 List of Projects under Tourism for 2023/24

No	Project Name
1	Cradock Spa and Middleburg Caravan Park Redevelopment
2	Repairs of Vusubuntu Roof
3	Electrification of Cradock 4 Garden of Remembrance

3.2.5.2 Status Quo on the Implementation of Tourism Projects during the Year 2023/2024

1. Cradock Spa

The Cradock Spa situated 5km outside Cradock town, adjacent to the golf course, is fully owned by the Inxuba Yethemba Local Municipality. The facility is perceived an asset of high economic potential and has great potential to unlock Local Economic Development within the Municipal area. The Cradock Spa forms part of the Spatial Development Framework of the municipality and has been identified as a catalyst for creating jobs in the area.

The Municipal Council resolved on embarking on a Public Private Partnership for the Management of the Cradock Spa and Middelburg Caravan Park Redevelopment Project.

Currently the Municipality has concluded the appointment of a Service Provider for the Cradock Spa & Middelburg Caravan Park Redevelopment Project as per the Public Private Partnership approved by Council. The site was handed over to the Service Provider in September 2023 and is running the operation of the site.

Challenges

The Service Provider appointed to run the facility has not yet secured the funding for the upgrading and redevelopment

3.2.5.2 Repairs of Vusubuntu Roof

The project is still under Supply chain management processes as the tender has not been finalised. The budget for the project was approved for the financial period. The procurement bottlenecks are around the budget availability. The issue will be escalated to Management for intervention as the delays are disadvantaging the planned targets of the Municipality

3.2.5.3 Electrification of Cradock 4 Garden of Remembrance

The project is still under Supply chain management processes as the tender has not been finalised. The budget for the project was approved for the financial period. The procurement bottlenecks are around the budget availability. The issue will be escalated to Management for intervention as the delays are disadvantaging the planned targets of the Municipality

3.2.5.4 Tourism Month 2023/24

The 24th of September every year marks the National Heritage Day celebrated. The reason for Heritage Day is to cultivate and create awareness among the society globally on the significance of tourism and it's social, political, financial and also cultural worth and value. Tourism Month is an opportunity for the Inxuba Yethemba Municipality to showcase the diversity and high quality of its offerings. The Eastern Cape has so much to offer and this year, the aim is to make it more accessible to the local market and domestic visitors.

Various programs were successfully delivered and these included: -

Programme	Comments
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Promotion of Domestic Tourism for Grade 11 Learners across Inxuba Yethemba	The programme was a success and hence to be rolled over to the next financial period since adopted by the Council as the Annual Program
Institutional Tourism Month for workers to promote cultural diversity within the institution	Lessons learnt from the project is that the program should be integrated as an ongoing program in the institution. This has triggered a need for a much more improve approach to integrated team building. The impact of the program also hinges on the high level of employee disengagement.

3.2.5.5. Karoo Winter Festival.

Inxuba Yethemba Municipality has partnered with the Middelburg Tourism Association in order to create Tourism Awareness in and around Inxuba Yethemba Municipal Area through the Karoo Wool Festival.

The third Karoo Winter Wool Festival was hosted in an around Middelburg in the second week of June 2024 (14th – 16th June 2024). This festival promotes one of the products the Karoo is most famous for Wool. The festival programme consisted series of events that showcased the entire wool value chain, all the way from where and how wool sheep are reared, to live shearing, classing, spinning and weaving demonstrations, as well as a wool product market which is the largest gathering of wool product manufactured in South Africa.

Highlights

No	Narrative
1	The Municipality was able to attract tourists across the Eastern Cape and other Provinces
2	The event contributed to boosting of the economy of Inxuba Yethemba as positive spin offs.
3	The event also drew a lot of support to the local farmers thus promoting the support given to emerging farmers.
4	Profiling of the Wool and Mohair Sector which came through the spinoff of a potential factory opening opportunity for the sorting of Wool.

3.6 Other Cross-cutting Challenges that impact on the Municipal Scorecard

No	Issue for Noting	Potential Impact
1	Lack of enforcement of Policies	Loss of Revenue directly contributing to low Collection and financial sustainability
2	Increasing Staff Debt due to defaulted rentals from Municipal flats	Loss of Revenue directly contributing to low Collection and financial sustainability
3	Non-honouring of rental obligations by commonage farmers	Loss of Revenue directly contributing to low Collection and financial sustainability
4	Delay in land disposal of municipal land due to land having no values/not valued	Loss of Revenue directly contributing to low Collection and financial sustainability

5	Municipal Valuation Roll not updated	Loss of Revenue directly contributing to low Collection and financial sustainability
6	Non implementation of the Strategic Planning Resolutions	Performance targets not incorporated or not met , affecting service delivery and decision making

3.3 COMMUNITY & SOCIAL SERVICES DEPARTMENT

3.3.1 PARKS, RECREATIONAL AREAS AND CEMETERIES

(a) Introduction

As a Policy and Performance Objective, the unit seeks to preserve and protect the natural environment and bio- diversity.

Inxuba Yethemba Municipality operates and maintains recreational and sporting facilities. These facilities include 6 sports facilities as well as 6 recreational & entertainment parks which cater for a variety of sporting codes including soccer, netball, rugby, tennis, athletic tracks and hockey which is part of the indigenous games.

Vandalism of facilities is an area of concern however; employment of security personnel would assist to mitigate the scourge of vandalism suffered. Constant supervision is also required as another mitigation measure. Unfortunately, full time supervision cannot be provided at all facilities due to the operational cost implications. The cost of the operation and maintenance of sport facilities remains a challenge as sport facilities do not generate enough income to cover the operation and maintenance expenditure.

The department has a technical team (welder, builder & tiller) which is responsible for in-house renovations and repairs. A tree felling team which is responsible for the trimming of trees, cutting down of nuisance trees such as trees obstructing electric lines & traffic, trees posing as danger to public, removal and control of alien invasive and exotic trees that pose a threat to the environment.

The Department is responsible for the maintenance of public open spaces, road curbs, road islands and entrance gardens within the Municipal wards.

The Department operates and maintains 1 active cemetery in Cradock and 3 active cemeteries in Middleburg. The services provided include the timely and correct preparation of graves for use, maintaining a register of graves and the maintenance of cemeteries to an acceptable level of tidiness.

3.3.2 LIBRARIES

(a) Objectives

Inxuba Yethemba Municipality has Six (6) libraries within the jurisdiction of the area. All libraries, i.e. those located in the area, Cradock Town, Michausdal, Lingelihle, Kwanonzame, Midros and Middleburg Town.

All the libraries are in a good working conditions except for Middleburg library roof that needs to be fixed. These services are rendered by the municipality through a service agreement with Department of Sport Recreation Arts and Culture (DESRAC).

These libraries including the main libraries operate from Monday to Friday. Currently there is no modular library as the DSRAC discontinued these. The location of the mini library which caters for the blind and partially blind is at the Masizame in Lingelihle and is one of the municipality's successful project. The municipality is now in a process to set up a mini library in Roosboom CSC in 2022/23 financial year.

(b) 2023/24 Set Objectives for Library Section

Performance Objectives	Key Performance Indicator	Actual	Comments
Protect library material through awareness campaigns	Number of annual awareness's/Library orientation	4	Programmes are based on library events calendar, demand from school, invitation from institutions
Improving Membership	Number of new memberships		The membership due to increased effort has since increased compared to the previous financial period.
	Number of school visits conducted	16	Based on request and awareness calendar

3.3.3 WASTE MANAGEMENT

Waste management (this section to include: refuse collections, waste disposal, street cleaning, organised recycling cooperatives)

The municipality successfully honoured its mandate under difficult circumstances to ensure a clean and safe environment to its communities at large through the provision of the following services:

- Integrated waste management plan (IWMP) and waste management bylaws
- Refuse collection

The Municipality conducts refuse removal services to almost all houses (22 994) within the area. The collection is at most scheduled or done twice per week in businesses. Households refuse that entails Lingelihle, Lusaka, KwaNonzame, Michausdal, Hillside, Middleburg, Cradock and Rosemead collections were done once per week. Waste disposal, recycling, landfill sites Disposal and Recycling is done in Landfill Sites in Cradock and Middelburg through assistance of the Middleburg Waste Management Cooperative

3.3.4 REFUSE REMOVAL

Refuse removal service is provided in all wards in Inxuba Yethemba jurisdiction.

(a) Objectives

The driving objective of the refuse removal is to provide an efficient, effective and economic service.

Key Performance	Key Performance Objective
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Indicators	
1 General KPIs	
Access to refuse removals	To ensure that all households have access to a basic refuse removal service.
Clearing of illegal dumping	To ensure that clearance of illegal dumping is done consistently to all wards.
	Promote Environmental awareness in the community
	Conduct clean up campaigns

(b) Comment on the performance of Cleansing and Solid Waste section

Currently, the section operates with 4 reliable compactor trucks, which ensure smooth rendering of services from time to time and ensuring refuse collection is done with due diligence in all the wards.

3.3.5 HIV AIDS COORDINATION

- Coordination happens within the Inxuba Yethemba Municipality takes pace through the Social Cluster to programs and awareness campaign in all these social clusters.
- At the Municipal level, this is chaired by the Mayoral Committee member of Community Services, working as the Local Aids Council and at Ward level termed as Ward Aids Council with the same structure.
- Service delivery is effected through the Service days driven by the Municipality by all the different departments under the Cluster
- The Programme works with other NGOs with programs like GBV, Drug abuse and others.
- The Municipality also offers assistance to indigent burials subject to pre-approvals for the applications made by the households through Ward Councillors. An independent Assessment of each application submitted is verified or subjected to due diligence.

3.3.6 ARCHIVES

(a) Highlights

No	Issues for Attention
1	The Department is in the process of having Records in collaboration with ICT to develop an in-house electronic filing system. The projected completion of the project is the beginning of Q2 of the financial period 2024
2	Changes in the filing system include the translation of the Old Afrikaans Files to English.
3	In-house workshop to bring staff awareness on Records Management and circulation of correspondence

3.3.7 RECORDS MANAGEMENT

(a) Challenges

No	Issues Highlighted
1	Records and archives are not fully functional due to limited capacity including the personnel to do the functions
2	Archives is still a challenge due to space
3	Offsite backup still in the process and was decided in the strategic planning
4	No reference records management policy in place, still to be developed
5	Municipal still operating a manual recording system to consider automated

3.3.8 REGISTRY OFFICE

The registry office is responsible for centralizing the institution's documents, as section 13 of the National Archives and Records Service of South Africa Act of 1996 mentions. The office's responsibility is to manage its records in a well-structured record-keeping system and to put the necessary policies and procedures in place to ensure that its record keeping, and records-management practices comply with the requirements of the Act.

The registry office is responsible for keeping the institution's records. The office must comply with the standardization to ensure the municipality has a safe place to keep its records.

The existing storage system must be improved to handle the growing volume of records for the entire institution. The National Archives of South Africa recommends using steel cabinets other than wooden storage systems due to their exposure to fire, pests, and humidity, which can compromise the integrity of important documents.

(a) The role of the registry office.

Receiving the records	Archive or preserve
Accessing the records	Destroying records
Record custodians	Prepare records for transfer
Records Retention	

(b) The current state of the registry office.

Staffing

The registry office is one of the institution's key offices, specifically when there is a request for information. The office must be fully capacitated, as national archives and records management recommended. Currently the office has one permanent staff member and is a junior staff, making it very hard to function fully.

Office space has been identified for the registry.

The Public Works building has been identified as a suitable facility for records storage. It offers ample space and can be outfitted with appropriate shelving and storage systems that comply with national standards. This facility will also allow for better environmental control, reducing the risk of damage to records from fire, pests, and humidity.

File Plan and Policies

- A file plan, a record plan, a records classification system, or a file index is a tool used to organize and manage records in an office. It can be used for paper and electronic records and helps keep records accessible, organized, and easily identified.

- The registry does not have a recommended file plan in place, and the policies are not there to assist the Inxuba Yethemba municipality as the files should not keep the documents in the staff offices, as the national archives policy prescribes.

(a) Improvement Plans

- That Management consider allocating a budget for Renovation of the Public Works building to accommodate a modern records storage system.
- The current organizational structure must be revisited to ensure sufficient personnel are dedicated to the registry office.
- The office space must be revamped to improve workflow and support the new records management system.

3.3.9 CEMETERIES AND CREMATORIUMS

IYM has a total of 7 cemeteries broken down as follows:

Table 6: Cemeteries and Crematoriums

Town	Breakdown	Actual Location	Status Quo
Cradock	4	Central, Michausdal, Lingelihle & Town	Central is the only functional cemetery. Others are only reserved for children, In Lingelihle is now reserved for people who had purchased spaces and so is the same in Cradock.
Middleburg	3	Midros, Nonzame & Town	All Cemeteries are fully functional

(a) Activities conducted during the year under review

- Identification and marking of gravesites were conducted
- Grass Cutting and Tree Removal
- Daily Management of Gravesites
- Child Care; Aged Care; Social Programmes

3.3.10 MUNICIPAL PUBLIC TRANSPORT INCLUDING TRAFFIC SERVICES

Transport (Including Vehicle Licensing & Public Bus Operation)

(a) Introduction to Vehicle Licensing

- Licensing and control of undertakings that sell food to the public
- The municipality has 2 Vehicle Testing Stations, 1 in Cradock and 1 in Middelburg.
- Both these stations are Grade A, which means any type of vehicle can be tested (Trucks, Trailers and Motor Cycles)

- As for the Testing for Learner's and Driver's Licences, in Cradock its Grade A testing (Testing of Light motor Vehicles, Heavy Motor Vehicles and Motor Cycles. In Middelburg it's Grade B testing (Testing of Light and Heavy Motor Vehicle Testing)
- The Testing of Learner's Licences is conducted electronically. The system was also installed in Middelburg but Examiners still require training.

Table 7: Transport

TRANSACTION	MUNICIPAL			AMOUNT		
	CDK	M/BURG	TOTAL	CDK	M/BURG	TOTAL
Appl. for Drivers Licence	97	3	100	R31 014.00	R882.00	R31 896.00
Issue of Drivers Licence	869	391	1260	R174 960.00	R80 352.00	R255 312.00
Appl. For Learners Licence	302	122	424	R64 326.00	R25 986.00	R90 312.00
Issue of Learners licence	81	34	115	R5 589.00	R2 346.00	R7 935.00
Professional Driving Permit	198	130	328	R21 384.00	R14 040.00	R35 424.00
CCF Drivers Licence						
Temporary Drivers Licence	594	221	815	R53 184.00	R21 024.00	R74 208.00
Duplicate Learners Licence	2		2	R360.00		R360.00
Registration	826	168	994	R109 032.00	R22 176.00	R131 208.00
Duplicate Certificate/Man Issue						
Duplicate TRN	1	2	3	R642.00	R1 284.00	R1 926.00
Duplicate Registration Certificate	44	23	67	R28 248.00	R14 966.00	R43 214.00
Blank Permit Books	27		27	R28 350.00		R28 350.00
Temporary Permit	20	1	21	R2 100.00	R105.00	R2 205.00
Special Permit	2	8	10	R162.00	R648.00	R8 10.00
Duplicate PLN & SLN	10	6	16	R2 160.00	R1 296.00	R3 456.00
Duplicate BRNC						
MTN for motor vehicle	12	1	13	R4 475.90	R741.00	R5 216.90
Total	3085	1110	4195	R525 986.90	R185 846.00	R711 832.90

(b) Drivers Licence

Cradock

Number Tested	Pass	Failed	Absent	D/qualify	Cancel	Postponed
83	29	54	1	0	0	0

Middelburg

Number Tested	Passed	Failed	Absent	D/qualify	Cancel	Postponed
3	0	3	0	0	0	0

(c) Learners Licence

Cradock

Number Tested	Pass	Failed	Absent	D/qualify	Cancel	Postponed
306	78	228	15	0	0	0

Middelburg

Number Tested	Pass	Failed	Absent	D/qualify	Cancel	Postponed
118	34	84	3	0	0	0

VEHICLE LICENCE	CRADOCK	MIDDELBURG
DUE TO COUNCIL	R950 606.87	R272 557.99

COMMENT ON PERFORMANCE OF VEHICLE LICENSING OVERALL		
PAID TO PROVINCE	CRADOCK	MIDDELBURG
	R4 050 405.08	R1 161 954.24

(d) Challenges

1. Load shedding Need Generator Lost Revenue
2. Eft Payment to Province for Vehicle Licences Lead to not Banking On daily basis

3.3.11 HIGHLIGHTS ON THE 2023/24 DEPARTMENTAL SDBIP PERFORMANCE

No	Issues heightened on Performance
1	Winning Award of National Arbour Competition for the second consecutive year, awarded in Sept 2023
2	Human Resource reinforcement with 2 personnel from DSRAC as Professional Librarians.
3	7 Computers obtained from the DSRAC partnership, this is over and above the ICT assistance obtained in the previous financial period and these have contributed also to the level and extent of Connectivity, which was previously a challenge for the IYM people to access the information. This has positive spin offs in that it also has advanced information communication
4	Establishment of mini-library for the blind in Masizame, this is in fulfilment of the planned strategies approved by Council during the Strategic Planning.
5	Waste Management – Every household serviced weekly , Business serviced Weekly,
6	Clean up campaigns through EPWP and CWP daily in every ward
7	Flood Mopping in collaboration with the DFFE (Department of Fishery Forestry and Environment_
8	Removal of illegal dumped hips in different wards, done by Municipal.
9	Greening in those places where there is open spaces. This is meant to reduce the illegal dumping in open spaces.
10	Awareness Campaigns against littering done Quarterly, with 12 done. These are have been a success regardless of the Financial constraints
11	The Awareness Campaigns also incorporate tree planting in partnership with Sector Departments in a quest to improve Climate Change Management. These have been a success with much improvement form the 2022/23 Financial year.
12	Libraries have contributed to community literacy levels, also awareness campaigns have been held during the course of the year
13	6 Libraries managed and maintained by the Municipality, all have been fully operational throughout the period
14	Awareness successfully conducted with DOE and Correctional Services, these are over and above the Operations'
15	The use of EPWP personnel as stop gap on those areas where there are vacancies has contributed positively to the different programs in the Libraries

16	Although the Municipality is battling vandalism in most facilities & shortage of funds for maintenance purposes, the section was able to increase revenue collection in most of the Sport facilities.
17	An invaluable contribution has been done towards the facelift of the town through the intervention of the EPWP in the Environmental Services in the Municipality. 850 personnel employed under the CWP and 395 under the EPWP, 125 under Flood mopping during the 2023/24 Financial period. This is seen as a great improvement and has had an impact in poverty alleviation and reduced unemployment rate.
18	Of the 395 from the EPWP, the Municipality has also isolated about 50 who were doing Food Security in the Inxuba Yethemba farms. The Municipality has got intentions to sustain the program through retention of these, however this is subject to the bilateral with the Public Works and DRDAR
19	Out of the 395 recruited under the program, 9 out of 12 graduates were absorbed by the Municipality thus contributing the local economic upliftment and poverty alleviation.
20	11 Graduates trained by the Municipality in different Skills in partnership with the Provincial Department of Transport. These were trained as a part of the Work Integrated Learning programme that the Municipality promotes from year to year.

3.3.12 CHALLENGES impacting on the Departmental Operations

No	Issues Raised
1	Increased rate of Vandalism of the Library facilities leading to losses assets of the Municipality.
2	Roofing to be fixed at Middleburg Libraries. This will be funded through the DSRAC Service Level Agreement which is in place
3	Vacancies of the budgeted and funded positions still pending, which need acceleration from the corporate Services
4	The Operational Budget from DSRAC has also increased by R400,000, however the Prepared Business Plan or Maintenance Plan costing (R3.4m) is still far above the increment for the Year and the Outer years
5	The issue of Security and Safeguarding of Library Facilities has also been flagged as a very high risk priority areas categorised as catastrophic.
6	The launch and operationalisation of the mini library which caters for the blind and partially blind situated at the Masizame in Lingelihle is one of the municipality's successful project for year.

3.3.13 IMPROVEMET PLAN

No	Action Plan
1	<ul style="list-style-type: none"> Improvement of the security in Municipal facilities, weighing the cost of the losses vs the current amount paid for the alarm systems. There is an urgent need for physical personnel for the safeguarding of the facilities. This must be considered in the Adjustment Budget as a priority.
2	<ul style="list-style-type: none"> Strengthening ICT collaboration with other Stakeholders to improve the Library Services as tool for Research empowerment and information sharing

3	<ul style="list-style-type: none"> Online reading program is also one of the targeted interventions for the next financial period. It is envisaged that the program will start during the first quarter of the 2024/25 period. The program is done in collaboration with benchmark to be done with the City of Johannesburg
4	<ul style="list-style-type: none"> Participation in the National Funda Mzantsi competition is also earmarked as one of the programs that the Municipality would participate in. This is funded by National Library of SA and DSRAC and will have no financial implications to the Municipality.
5	<ul style="list-style-type: none"> The pipeline for the Community Services also includes the development of the Central cement for additional sites. These are the existing Municipal facilities that the expansion was earmarked for. The appointed Service provide will commence as soon as the procurement processes are finalised, which as at the date of reporting is still in progress. This perceived as a response to the public outcry on the shortage of space for local burials.

3.4 TECHNICAL AND INFRASTRUCTURE SERVICES DEPARTMENT

Introduction to Basic Service and Infrastructure

- The primary role of a municipality is to provide and facilitate the delivery of services to its communities. It is therefore imperative for the municipality to understand the extent to which households in its areas of jurisdiction have access to the various services that are essential for their livelihood.
- To effect this, a Comprehensive Infrastructures Plan (CIP) was developed with assistance with the province.
- However, a review of the existing CIP requires a thorough review that will be informed by the current statistical data.
- The CIP is used to influenced for baseline data and informing the projects to be implemented.
- Furthermore, IYM has made a decision to develop an inclusive Infrastructure Investment Plan.
- IYM currently utilizes various sector plans to plan for infrastructure planning and investment.

Structuring of the Departmental Functions

No	Section	Functions
1	Electrical and Mechanical	<ul style="list-style-type: none"> Distribution of Electricity Street Light Maintenance Meter Replacement Vehicle and Plant Mechanics
2	Public Works	<ul style="list-style-type: none"> Maintenance and Upgrading of Municipal Infrastructure
3	Project MU	<ul style="list-style-type: none"> Management of Capital Projects

		<ul style="list-style-type: none"> • Internal and External Funding Management • Capital Grants Social Facilitation
--	--	--

3.4.1 ELECTRICITY SERVICES

The Municipality also provides consumers with 50kWh's of free basic electricity every month.

3.4.1.1 Electrical Losses (2023/2024)

In terms of electricity losses, the total electricity losses is broken down into technical and non-technical losses as follows:

- The older the infrastructure the more electrical losses will occur.
- Non-technical losses are caused by actions external to the power system and consist primarily of electricity theft, non-payment by customers and errors in accounting and record keeping.

In order to curb losses to an acceptable standard, an effective meter audit team is required to inspect each meter and to ensure that meter seals are still intact. Meter sweeps/audits need to be done twice a year in order to deter tampering of meters.

The actions that are taken and in progress to prevent for limiting of losses are mentioned hereunder:

No	Measures
1	<ul style="list-style-type: none"> • Inspection of meters during the disconnection drive.
2	<ul style="list-style-type: none"> • Verification of meter readings during month end.
3	<ul style="list-style-type: none"> • Meter sweep processes as and when (done internally).
4	<ul style="list-style-type: none"> • Reports extracted from the system with minimum purchases for the month working in collaboration with Budget and Treasury.

Comment

For 2023/2024 financial year, limited audits were carried out due to resources at the time of the ad-hoc audits.

3.4.2 ROAD TRANSPORT

- The road network in Inxuba Yethemba Municipality comprises 257km, 118km of gravel roads and 139 km of permanently surfaced roads.
- Block paving comprises of 15, 8 km.
- Addressing the backlog in gravel roads remains a major focus area. For the next financial year, Inxuba Municipality has taken a strategic decision to increase the spending on infrastructure maintenance.
- The Municipality has prepared its Annual Maintenance plans for the Road Infrastructure and it needs funding The Three Year Capital Plan is also in place and is being implemented as per the approved IDP.

- The Gravel Road Maintenance is part of the Annual Infrastructure Maintenance Plan. Involves working one month per annum in each of the municipal wards to address backlogs and maintain existing gravel roads.
- Some of the Roads are constructed in-house making use of Council's plant and equipment's and Municipal Staff when the material is available.
- The Municipality is also repairing its tarred roads based on RRAMS treatment recommendations.

3.4.3 STORMWATER

- The storm water drainage network in urban areas in the Inxuba Yethemba Municipal area comprises a piped system and open drainage channels. The drainage system is in a fair condition with some instances of poor conditions as some channels were built using the stones in the Cradock CBD and Middleburg portions.
- There are still some areas where there are no formal drainage networks and this causes flooding during summer and easily collapsing of infrastructure due to the impact of the Manganese trucks.
- The upgrading of roads however contributes to the addressing of this backlog as storm water drainage is installed together with the construction of roads.
- Storm water systems are maintained using high pressure jetting and there is a programme in place for cleaning of drains, addressing damaged catch pits, repairing kerbs and channels etc.
- The misuse of the storm water system remains a matter of concern especially due to street sweeping. Maintaining and cleaning the system is an ever-increasing expense and effort.
- The Municipality also has a storm water bylaw that seeks to educate, reprimand and prevent the misuse of storm water by the community.

3.4.4 SPENDING AGAINST CAPITAL BUDGET

Evaluation as per the practice note

Part 1: Progress to date

Inxuba Yehemba Local Municipality, Project Management Unit has implemented the Approved Business Plan.

The following projects and milestones were achieved.

2023/2024 FY CURRENT PROJECTS: MIG SUMMARY

Project Name	National Registration Number	Appointed Consultant s	Appointed Contractor	2023/2024 FY Allocation (R) Ori inal Dora	Expenditure as at 30 June 2024 (R) Revised Dora	Project Status
Paving of Joko Avenue in Middelburg, Ward 9	R/EC/18858/21 /24	2MC Consulting Engineers	DPT Investment JV	R3 691 500	R1 381 445,14	Practical Completion
Installation of High Mast Lights in Rosmead	L/EC/20050/23 /24	Bokamoco Consulting Engineers	Brainwave Projects	R948 500	R2 362 557,03	Practical Completion
Installation of High Mast Lights in Lusaka and Midros Wards 7 & 8 (Middelburg)	L/EC/16752/19 /22	Lumko Makonza Consulting Engineers	Capotex Trading Enterprise	R224 000.00	R 165 112,50	Practical Completion
Upgrading of Municipal Farm Commonages (Cradock & Middelburg)	CS/EC/16751/1 9/21	Kukho Consulting Engineers	AMS Rhudulu Projects	R508 500.00	R 538 806,51	Practical Completion
Paving of Midros Access Road (Rivier Road), Middelburg Ward 7 & 8	R/EC/18452/22 /24	2MC Consulting Engineers	Qophe Construction	R5 100 000.00	R5 374 824,25	Practical Completion
Paving of Chris Hani and Ekuthuleni Street, Cradock Ward 2	R/EC/18451/22 /24	2MC Consulting Engineers	Tandedza Construction	R4 200 000.00	R4 792 619,88	Construction
Refurbishment of Cradock Sportsfield, Ward5	CS/EC/19801/2 3/24	Kukho Consulting Engineers	Zurox Trading	R7 464 000.00	R7 463 999,07	Construction
Paving of Michausdal Internal Routes (Steenbok, Takbok and Springbok),Cradock Ward 4	R/EC/20051/23 /25	Dikgato Engineering Consultants	Galadane JV Eroline	R800 000.00	R948 231,21	Construction

3.4.5 Strategies, Policies and Plans

No	Strategy/Policy/Plan	Status
1	Roads and Stormwater Management Plan	In place, to be reviewed
2	Rural Roads Assessment Management System	In place, to be reviewed
3	Roads and Storm water Bylaw	Not yet Gazetted
4	ISD (Institutional and Social Development Policy	In place, to be reviewed
5	Capital Project Management Policy	In place, to be reviewed
6	Electricity Supply By-law	Not yet Gazetted
7	Standard Electricity Supply Bylaw	In place, to be reviewed
8	Small Scale Embedded Generation Policy	Still in draft

3.4.6 Infrastructure Backlogs Inherited from 2022/23 Annual Report

The current reality analysis has shown that the municipality is faced with a daunting challenge marked by huge backlogs in service delivery, socio-economic problems of high unemployment and poverty levels. Solutions to these challenges can potentially be in conflict with or complement each other. For this reason, it is necessary for the municipality to have a macro strategy that will guide decision making when there are conflicting strategic options and also provide a basis for the allocation of scarce resources.

Electricity Policy Objectives									
Service Objectives	Outline Service Targets	2021/22		2022/23		2022/23		2023/24	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
		*Previous Year	(iv)	*Previous Year	*Current	(	*Current Year	*Current Year	*Following Year
To ensure provision of adeq	Number of actions unde	4	4	4	4	4	4	4	4
	Number of street-lights	50	100	100	100	100	100	129	
	Number of street lights retrofitted	0	0	0	0	0	377	312	377
									T xx

3.4.7 Highlights of the Department for the 2023/24 Financial Year

Unit /Section	Issues for Attention	Other Matters for Attention
Electrical	<ul style="list-style-type: none"> Secured funding of R6, 32m for the upgrade of the Michausdal of about from Department of Minerals and Resources. The funding was secured in this financial period 	The Provision of Bulk Electricity Infrastructure to Egg rock Housing Development was the specific project and is to be launched in the 2024/25 financial period.
	<ul style="list-style-type: none"> Funding received for the Energy Efficiency Demand Side Management for the Replacement of 377 Streetlights. The R5m Funding was received from National Department of Energy The fund has been utilised 100% In the Financial period before in terms of the Performance Report there was 87.4 kw that was saved 	Through this intervention the Municipality managed to respond effectively to electricity savings
	<ul style="list-style-type: none"> 4 High Mast installation in Rosemead and KwaNonzame 	N/A
PMU	<ul style="list-style-type: none"> Paving of Midross Access Road of about 1700kn 	N/A
MIG Grants	<ul style="list-style-type: none"> 100% spending of MIG An additional allocation of R11,23m was received from Cogta through National Municipal Disaster Recovery Grant received as a top up to commend good performance in the 2022/23 financial period 	Because this was received mid-year, it cuts across two financial periods, and will therefore be fully utilized in the 2024/25 financial period
Other Achievements from Strategic Planning Resolutions	<ul style="list-style-type: none"> Rehabilitation of Cradock Streets in Cawood and Sprig Streets of 1500km 25 High mast lights erected in Lusaka and Midros Paving of Joko Street of 440m 	N/A
Universal Access to Electricity	<ul style="list-style-type: none"> The Municipality has reached the 100% target on ensuring that everyone is connected on the grid 	Any new low cost housing development will have its application for funding by the Municipality
Overall Performance	The Department achieved an Overall performance of 91.7% in its set annual targets	N/A

3.4.8 CHALLENGES

No	Challenge	Priority Ranking
1	<ul style="list-style-type: none"> Ageing Road Infrastructure 	VH
2	<ul style="list-style-type: none"> Ageing Electricity Infrastructure 	VH
3	<ul style="list-style-type: none"> Insufficient Budget for Maintenance of Infrastructure 	VH
4	<ul style="list-style-type: none"> Shortage of Human Resource 	H
5	<ul style="list-style-type: none"> Capacity Building 	H
6	<ul style="list-style-type: none"> Notifying Maximum Demand (No spare capacity of electricity) for both Middleburg and Cradock 	VH
7	<ul style="list-style-type: none"> Underperformance of Service Providers 	
8	<ul style="list-style-type: none"> Infrastructure Master Plans cannot be developed due to limited funding 	VH
9	<ul style="list-style-type: none"> Limitation in terms of funding to reduce the current backlog 	VH
10	<ul style="list-style-type: none"> Limitation in terms of funding for development 	VH
11	<ul style="list-style-type: none"> Funding Limitation as Municipality is grant dependent for the Development Projects 	VH
12	<ul style="list-style-type: none"> Infrastructure Development Backlog of 254km of Roads(139 kms of gravelled) and 115km of surfaced roads 	VH
13	<ul style="list-style-type: none"> Electricity Losses 	M
14	<ul style="list-style-type: none"> 3 out of 9 Wards being supplied by Eskom having an influence to other wards due to lower tariffs charged by Eskom in the 3 Wards 	H

3.4.9 DEPARTMENTAL PERFORMANCE IMPROVEMENT MEASURES

Based on the Review of the Annual Performance Report by the Internal Audit, the following issued have been highlighted and need the attention of the Department

Area	Activity To Perform	Frequency
Project Monitoring	Regular meetings and close monitoring of projects is now done to ensure that they are completed on time.	Weekly/Monthly
Reporting	Monthly project progress reports to be tabled to MANCO to early identify and rectify possible challenges on each project	Monthly
Performance	Conducting of monthly performance assessment evaluation of contractors and consultants and tabling it to MANCO	Monthly
Service Delivery	Procurement of additional yellow plant to speed up service delivery within our community. For detailed information on most indicators under this KPA, refer to Technical services SDBIP attached on this report.	Ongoing

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 Introduction

Corporate Services department is responsible for the Human Resources Management-functions which include the following:

- Organisational efficiency and improvement
- Staffing in relation to recruitment, selection and appointments

4.2 Organizational efficiency and improvement

During this financial year organizational structure was reviewed and critical position were identified, some of the positions were filled whilst other position were referred to the next financial year due to the financial constraint.

4.3 Staffing in relation to recruitment, selection and appointment

- Various pieces of legislation govern this function and prescribe in detail how tasks must be performed in order to ensure a legal, fair and transparent process that protects the rights of employees or outside candidates who apply for positions.
- A revised organogram was accepted by the two unions at the Local Labour Forum after a long consultative process.
- Critical posts were identified as part of this review process and some of these posts were filled to support efficient and uninterrupted service delivery.

4.4 Some of the challenges that remain unresolved include:

- The scarcity of local candidates with appropriate skills to fill vacant posts
- The ever increasing costs to appoint candidates with relevant qualifications and experience
- The costs of advertising and the additional cost that relocation of new staff can bring about
- The shortage of candidates meeting the “equity profile” who apply for posts

4.5 Employee Totals, Turnover and Vacancies

Staff

Table 9: Employee information

Employee information for year ended 30 June 2024			
	Male	Female	Total
Number of active employees			302
Salary weighted average age (years)			46
Weighted average past service (years)			12

Employees (T4.1.1)					
Description	Year -1	2023/2024			
	Employees No.	Approved Posts No.	Employees No.	Vacancies No.	Vacancies
Amenities	35	45	29	16	16
Electricity	29	50	29	21	21
Environmental Services	55	84	55	29	29
Housing	8	8	8	0	0
Local Economic Development	48	85	48	28	28
Public Safety	25	52	23	26	26
Roads	43	53	41	34	34
Solid Waste Management Services	31	45	33	22	22
Total	305	336	153	188	188

4.6. Vacancy Rate

Table 10: Vacancy Rate

Description	Total Approved Posts No.	Vacancies (Total Time vacancies exist using fulltime equivalents) No.	Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	1	0%
CFO	1	0	100
Other S56 Managers (excl. Finance Posts)	4	0	0%
Law Enforcement	36	28	78
Fire Fighters	6	4	50
Middle Management Level (excl. Finance Posts)	17	11	49
Middle Management Level (Finance Posts)	5	2	39
Highly Skilled Supervisors (excluding Finance Posts)	51	26	49
Highly Skilled Supervisors (Finance Posts)	7	3	43
Total	128	75	50%

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

The WSP was developed however funding was a challenge for internally funded trainings. This has been complemented by SETA funding on certain trainings, the municipality is in the process of appointing accredited service providers to exploit the full funding by LGSETA on accredited unit standard to complement WSP.

Section.11 (3) of the Municipal Structures Act empower Municipal Council to exercise executive and legislative authority to pass and implement by laws and policies. The year in question there were no by-laws that were reviewed.

4.7 Municipal Policies and By-Laws

During the year under review, all the different Directorates reviewed their affected Policies. There were 7 By-Laws reviewed and submitted to Council during the year under review. All the reviewed Policies were submitted to Council for approval at the end of May 2024.

Table 11: Policies

No	Component or KPA	No of Policies
1	Municipal Transformation and Organizational Development	24
2	Information Technology and Communication	15
3	Financial Viability	17
4	Local Economic Development	4
5	Basic Service Delivery and Infrastructure Development	4
Total		54

Table 12: By-Laws

No	Component or KPA	By-Law Name	No of By-Laws
1	Technical Services	Electrical By-law	1
2	Technical Services	Storm-water Management Policy	1
3	Budget and Treasury	Tariff by-law	1
4	Community Services	Cemeteries By-law	1
5	Community Services	Liquor Trading By-law	1
6	Community Services	Prevention of Public Nuisance Arising from The Keeping of Animals	1
7	Community Services	Solid Waste By-law	1
Total			7

Below is the detailed schedule of Policies that were reviewed during 2023/2024 financial year.

4.8 Summary of Filled and Vacant positions

Total number of filled positions as at 30 June 2024 is 299. Out of these, XXX have been filled during the financial year. Below is the summary of the Vacancies as reported.

<i>Description</i>	2023/2024			
	Approved Posts No.	Employee s No.	Vacancies No.	Vacancies
<i>Amenities</i>	113	51	62	62
<i>Electricity</i>	33	25	8	8
<i>Environmental Services</i>	32	26	6	6
<i>Housing</i>	7	7	0	0
<i>Local Economic Development</i>	21	9	12	12
<i>Public Safety</i>	26	9	17	17
<i>Roads</i>	59	31	28	28
<i>Solid Waste Mgt Services</i>	49	33	16	16
Total	340	191	149	149

4.9 Injuries and Ill-Health 2023/24

The following inherent challenges still persist within the institution in relation to the above:-

No	Challenges
1	Near – Miss incidents and accidents not recorded nor reported
2	Late reporting of accidents or incidents
3	OHS programs not implemented due to issues such as negligence, non-implementation of the Policy resulting in unintended consequence
4	Inadequate work facilities
5	Shortage of Staff to service the entire Municipality
6	Lack of awareness of OHS despite different programs and workshops to the staff

(a) Mitigation to the Challenges on Injuries and Ill – Health 2023/24

In mitigation the above, the following interventions are proposed going forward:-

No	Challenges	Interventions
1	Near – Miss incidents and accidents not recorded nor reported	Timeous and complete recording of the incidents and also ensuring close monitoring by OHS Officer
2	Late reporting of accidents or incidents	Timeous and complete recording of the incidents and also ensuring close monitoring by OHS Officer
3	OHS programs not implemented due to issues such as negligence, non-implementation of the Policy resulting in unintended consequence	Ensure that the Supervisors are accountable and that PPE monitoring to be compulsory before starting work by staff
4	Inadequate work facilities	Supervisor must be provided with desktop
5	Shortage of Staff to service the entire Municipality	Recruitment of competent staff with adequate background in OHS
6	Lack of awareness of OHS despite different programs and workshops to the staff	Intensive Training of Supervisors in different sections and ensure compulsory enforcement of consequence management

4.10 Labour Relations

4.10.1 Suspensions

Below are the details of the Precautionary Suspensions for the period ended 30 June 2024

Table 12: Suspensions

Directorate:	Date of suspension:	Status of suspension:	Status of case:
BTO	28/08/2023	Ongoing	Case finalized awaiting sanction
Technical services	18/ 09/ 2023	Ongoing	The employee is charged
Corporate Service	28/08/2023	Ongoing	Investigation underway
Municipal Manager	25/08/2023	Ongoing	The case is underway
IPED	17/01/2024	Ongoing	The case has commenced
IPED	15/01/2024	Ongoing	The case has commenced
Total of number of suspended employees	6		
Number of cases finalised	1		
Active disciplinary hearing of suspended	4		
Investigation	1		

Comments

The previously reported cases were concluded in the financial period. There were no new cases that transpired during the 2023/24 financial year

4.11 Performance Rewards

In terms of regulation 8 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, performance assessments after the municipal council has adopted the annual report of the year under review. No performance bonuses were paid in 2023 / 2024.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.12 SKILLS DEVELOPMENT AND TRAINING

(a) Background

Section 68(1) of the systems act states that a municipality should develop its human resource capacity to a level that enables it to perform its function and exercise its power in an economical, effective, efficient and accountable way. For this purpose, human resource capacity of a municipality must comply with the skill development act (SDA) 1998 and the skills development levies act 20, 1999.

The skills development act 1998 and municipal systems act, (2000) require employer to supply employees with necessary training in order to develop its human resource capacity. The year under review there were learner ship, skills programmes and other short courses, whilst it was not in full scales due to financial challenges.

Skills programs during the year under review included the capacitation of political leadership; management level; professional; clerical administrative workers and general workers.

(b) Capacity Building Programmes

Below are the capacity building programs that the Municipality embarked on during the 2023/24

CAPACITY BUILDING PROGRAMMES

No	Capacity Building Intervention	Period Conducted	Beneficiaries
1.	CPMD	1 Year	6
2.	National Diploma Public Finance Management and Administration	2 Years	24
3.	National Certificate L.E.D.	1 Year	39
4.	Sowing and Designing Attendance Certificate	1 Year	1

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.13 EMPLOYEE EXPENDITURE

Section 66 of the MSA 2000 (act 32 of 200) states that the accounting officer of a municipality must report to the council on all expenditure incurred by the municipality on staff salaries, wages; allowances and benefits. This is in line with the requirement of the public service regulations, (2000) as well as National treasury budget and reporting regulations. The percentage of employee's expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on employees related cost for two financial years and also the report shows that the municipality is within the norms of 35% to 40%.

Employee Related R 125 532 482

Remuneration of Cllrs R 9 419 082

R 134 951 564

Financial Year	Total Approved Operating Budget	Personnel Expenditure	Percentage of Expenditure
2023-2024	373 321 436	134 951 564	36 %

Table 13: Skilled Employees

Skills Matrix														
Management level	Gender	Employee s in post as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2023											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		2024/25 Target
		No.	Actual Target: End of 2023/24	Actual Performance : End of 2023/24	2024 /25 Targ et	Actu al Targ et: End of	Actual Performance : End of 2023/24	2023 /24 Targ et	Actu al Targ et: End of	Actual Performance : End of 2022/23	2024 /25 Targ et	Actu al Targ et: End of	Actual Performance : End of 2022/23	
MM and s57	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	13	0	3	0	0	0	14	8	4
Councilors, senior officials and managers Technicians and associate professionals	Female	8	0	0	3	3	3	3	0	0	5	5	3	3
	Male	9	0	0	0	0	0	0	0	0	0	0	0	9
	Female	8	8	8	8	8	8	8	0	0	0	8	8	8
	Male	11	0	0	0	11	11	11	0	0	0	11	11	11
Professionals	Female	22	0	0	0	22	22	22	0	0	0	22	22	22
	Male	8	0	0	8	8	8	8	0	0	0	8	8	8
Sub total	Female	38	8	8	19	24	19	22	0	0	5	35	33	33
	Male	28	0	0	8	35	19	22	0	0	0	31	27	32
Total		66	8	8	27	59	38	44	0	0	5	66	60	65
*Registered with professional Associate Body e.g. CA (SA)													T 4.5.1	

4.13.1 Highlight s of the Section for the 2023/24 financial period

More spending was done on the capacitation of General Workers on the Recognition of Prior Learning and Skills Programmes relevant for future employability within Local Government.

(a) Recognition of Prior Learning

No	Comments
1	<ul style="list-style-type: none"> 70 workers with work experience, however no formal qualifications were awarded bursaries by the Municipality. Categories of the workers subjected to the Recognition of Prior Learning was General Workers from different Departments of the Municipality.
2	<ul style="list-style-type: none"> Response to the Program was positive and triggered application for other Trainings, hence the 100% success rate. The programme was the first during the Term of the Council.
3	<ul style="list-style-type: none"> The National Skills Fund also is in the process of incentivizing the Municipalities who are investing more on skilling of workers including the lower level class.
4	<ul style="list-style-type: none"> Based on the results the Department is in the process of identifying other eligible staff within the same category to ensure increased coverage in upskilling the staff.
5	<ul style="list-style-type: none"> The Municipality has successfully appointed a Panel of Training Providers for various SETA Funded Programs.

(b) General Training Programs

No	Comments
1	<ul style="list-style-type: none"> Different trainings conducted with some critical programmes in response to gap analysis as per the 2022/23 Skills Audit. These programs include the Municipal Finance and Administration, IDP, Environmental Practice which are all competency related programs.
2	<ul style="list-style-type: none"> The Municipality in response to the decision of Council during the Strategic Planning, has also responded through a program for the Unemployed Youth. The aim of the Programme was to make a dent on youth unemployment. Positive spinoffs of the programme include self-employment, entrepreneurs to advance independence to participate in local economic development through the New Venture Creation programme.
3	<ul style="list-style-type: none"> The Municipality also has enrolled some Unemployed Graduates in a various Skills Program including Customer Care, Office Administration and Entrepreneurship Skills. This is an internally funded initiative.
4	<ul style="list-style-type: none"> The Municipality has also received applications from various Departments of the staff that is due to retire to enrol the on an exit self-sustainability program beyond their pension. These are staff members who are within 3 years of retirement. The program will commence by the end of the second quarter due to budget constraints

5	<ul style="list-style-type: none"> These have got positive outcomes to the Municipality when the programs are administered through the WSP to benefit from the Funding but the LGSETA
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4.13.2 CHALLENGES AROUND SKILLS DEVELOPMENT

No	Comments
1	<ul style="list-style-type: none"> Limited number of Higher Institutions of Learning in the local area for the formal capacitation and learning
2	<ul style="list-style-type: none"> Financial Constraints
3	<ul style="list-style-type: none"> Lack of Matric Certificate being a Limitation to those staff who cannot embark on further Training and Qualifications that have Matric as a Prerequisite

4.14 CASCADING OF INDIVIDUAL PERFORMANCE MANAGEMENT TO LOWER LEVELS

As per the 4th Quarter Report the different processes have been embarked upon. These include

- Policy Development
- Policy Adoption
- Consultation session with Council
- Consultation session with Management
- Consultation session with Mayoral Committee
- Consultation with LLF
- Consultation with Staff

The process is at the stage of Employees completion their Performance Agreements to Supervisors and the signed document to be submitted to HR by the end of Quarter of 2024/25 The Informal Reviews for 2024/25 Q1 will be conducted before the 15th of October 2024

4.15 HOUSEKEEPING AND AUXILLIARY SERVICES

The section is included for the first time in this Annual Report and comprises the following:-

No	Performance Area
1	<ul style="list-style-type: none"> Management of Municipal Halls
2	<ul style="list-style-type: none"> Cleaning of Offices
3	<ul style="list-style-type: none"> Maintenance of Facilities

- The section has got 17 staff members including two supervisors

- The policy for halls has been developed and will be reviewed annually.
- The municipality has a total of 9 Halls both units:

Table 14: COMMUNITY HALLS

Halls	Status Quo
Middelburg Town hall	All the hall facilities are in a fair condition except for Michausdal hall, Lingelihle hall and Town hall(Cradock) that needs renovations
Lusaka hall	
Kwanonzame hall	
Midros hall	
Cradock Town hall	
Ward 2 lingelihle hall	
Lingelihle hall	
Michausdal hall	
Nomsa Frans hall	

The Total Halls Bookings Revenue Collected for the 2022/2023 financial are as follows:

Month	Total Amount
July 2023-September 2023	R 57 872.74
October 2023- December 2023	R 52 143.17
January 2024-March 2024	R32 717.76
April 2024- June 2024	R 25 938.43
TOTAL AMOUNT	R168 672.01

(a) Challenges

No	Issues Highlighted
1	Facilities needing Renovation, however limited Budget
2	Staff Shortages
3	Security of Facilities (inadequate security personnel to safeguard the assets)
4	Facilities not user-friendly for people living with disabilities

(b) Proposals

No	Issues Highlighted
1	Consideration of Security for Municipal Halls
2	Appointment of Staff to reduce the shortages for the general maintenance of the lawns and halls surroundings
3	Budget for rehabilitation and maintenance of Municipal halls

4.16 COMMITTEES

The section has got 3 staff members with a Supervisor reporting to Director Corporate Services.

Functions and Responsibilities of the Committee Section:-

No	Function
1	<ul style="list-style-type: none">• Council Support
2	<ul style="list-style-type: none">• Receiving items from Departments in preparation for Council and Council Committee Meetings
3	<ul style="list-style-type: none">• Recording of proceedings of Council and Council Committee Meetings
4	<ul style="list-style-type: none">• Management of Agenda of Council and Committees
5	<ul style="list-style-type: none">• Communication with various Departmental Heads and Chairpersons of Standing Committees

4.17 EMPLOYEE ASSISTANCE AND WELLNES PROGRAMME

The EAP section's core function is to promote and enhance employees' health and wellbeing of all employees in the organisation. The main aim is to help improve the employees overall work performance and service delivery.

The Municipality has got an operational **Employee Wellness Centre** situated within the main historical building of the municipality in the Corporate Services section. The unit aimed at providing health and social being services to aid the personal problems of employees which could impact negatively on the work performance.

Table 14: The activities conducted to 2023/2024 financial are as follows

Quarter	Psychosocial Support	Emotional/Spiritual Support	Psychological Support	Support On Management Of Personal Finances	Physical Management Support	Marriage Counselling	Home Visits	Educational Awareness
Q2	31 Employees received this service.	04 families benefited from this service during their bereaved time	06 employees were referred for other services	9 Employees were assisted with financial educational wellness.	Aerobics Wellness was conducted and 89 employees participated	08 families benefited	14 Home visits were conducted	7 workshops were conducted on EAP policies, substance abuse and leave management policy
Q4	32 Employees received psychosocial services	13 families benefited from emotional and spiritual support while they have lost their loved ones 05 family benefited from Memorial Service	11 employees were referred to other entities for assistance	Liberty, Sanlam, Metrolite and Old mutual formed part of 8 weeks programme which aimed at financial and physical wellness	8 weeks programme , Physical wellness activity was conducted through soccer and netball for 10 Departments where every Wednesday was observed.	06 couples were assisted with marital counselling	09 home visits were conducted	03 Workshop conducted by Eastern Cape Gambling Board on the Members of the IYM Council, Civil Org and departmental stakeholders on the 8 th November 2023

CHAPTER 5: FINANCIAL PERFORMANCE

5.1 Introduction

The Components below form part of high-level overview and therefore the narrative to the chapter under each component as prescribed by MFMA, Circular 63, namely:

- Component A: Statements of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Cash flow Management and Investment
- Component D: Other Financial Matter.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE (AUDITED AFS)

Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	3	7 615 847	7 450 126
Receivables from exchange transactions	4	1 882 943	1 720 528
Statutory receivables	5	48 598 167	13 921 334
VAT Receivable	6	35 992 128	35 167 493
Consumer debtors	7	31 911 954	34 202 796
Cash and cash equivalents	8	5 667 436	2 307 158
		131 668 475	94 769 435
Non-Current Assets			
Investment property	9	54 345 297	53 477 286
Property, plant and equipment	11	1 125 562 654	1 132 910 214
Heritage assets	10	16 019 999	16 019 999
		1 195 927 950	1 202 407 499
Total Assets		1 327 596 425	1 297 176 934
Liabilities			
Current Liabilities			
Payables from exchange transactions	12	686 119 528	565 875 372
Consumer deposits	13	1 312 069	1 312 123
Unspent conditional grants and receipts	14	3 290 481	-
Provisions	16	2 709 341	2 029 336
		693 431 419	569 216 831
Non-Current Liabilities			
Employee benefit obligation	15	38 791 843	39 978 475
Provisions	16	19 981 951	15 739 125
		58 773 794	55 717 600
Total Liabilities		752 205 213	624 934 431
Net Assets		575 391 212	672 242 503
Accumulated surplus		575 391 212	672 242 503
Total Net Assets		575 391 212	672 242 503

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Statement of Financial Performance

Figures in Rand	Notes	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	17	152 678 259	132 314 933
Rental of facilities and equipment	18	1 705 351	1 839 946
Agency services	19	2 908 437	2 954 872
Other income	20	2 473 747	2 423 780
Interest received	21	29 344 953	24 198 169
Fair value adjustments	22	868 011	-
Actuarial gains	23	4 853 419	2 645 057
Total revenue from exchange transactions		194 832 177	166 376 757
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	66 565 959	49 407 926
Transfer revenue			
Government grants & subsidies	25	100 182 420	94 000 800
Fines, Penalties and Forfeits	26	273 793	77 624
Interest Eskom Debt write off	27	43 520 416	-
Services in-kind	28	2 069 340	3 969 546
Total revenue from non-exchange transactions		212 611 928	147 455 896
Total revenue		407 444 105	313 832 653
Expenditure			
Employee related costs	29	(125 532 482)	(117 068 770)
Remuneration of councillors	30	(9 419 082)	(8 816 409)
Depreciation and amortisation	32	(51 220 728)	(66 080 725)
Impairment loss	33	(13 041 979)	(44 235 806)
Finance costs	31	(43 685 171)	(45 371 540)
Lease rentals on operating lease	34	(1 398 884)	(1 595 947)
Bad debts written off	35	(36 081 578)	(10 359 287)
Bulk purchases	36	(116 868 088)	(94 959 057)
Contracted services	37	(35 938 912)	(21 436 586)
Loss on disposal of assets	38	(233 509)	(7 531 737)
Fair value adjustments	22	-	(4 575 082)
Inventories losses/write-downs	3	(1 635 410)	-
General Expenses	41	(52 834 436)	(37 006 567)
Repairs and maintenance	40	(16 405 138)	(14 453 108)
Total expenditure		(504 295 397)	(473 490 621)
Deficit for the year		(96 851 292)	(159 657 968)

COMPONENT C: CASH FLOW STATEMENT

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		31 875 100	37 889 410
Sale of goods and services		154 910 719	114 930 508
Grants		103 472 901	94 000 800
Interest income		261 342	241 069
Other receipts		5 382 184	5 879 204
		295 902 246	252 940 991
Payments			
Employee costs		(134 035 019)	(123 060 221)
Suppliers		(113 259 280)	(77 108 422)
		(247 294 299)	(200 168 643)
Net cash flows from operating activities	42	48 607 947	52 772 348
Cash flows from investing activities			
Purchase of property, plant and equipment		(45 247 669)	(51 507 356)
Proceeds from sale of property, plant and equipment	11	-	67 529
Net cash flows from investing activities		(45 247 669)	(51 439 827)
Net increase/(decrease) in cash and cash equivalents		3 360 278	1 332 521
Cash and cash equivalents at the beginning of the year		2 307 158	974 637
Cash and cash equivalents at the end of the year	8	5 667 436	2 307 158

COMPONENT D: OTHER FINANCIAL MATTERS OF SIGNIFICANCE

5.2 Analysis of UIFWE

The municipality has identified irregular expenditure during the current and prior periods. Investigations into irregular expenditure have been performed for the financial years ending 30 June 2015 and 30 June 2016. As at 30 June 2023. The Council approved an amount of 81M for write off on the UIFWE. No material losses were written off during the year. A register containing the details of irregular expenditure is available for inspection at the municipal offices. Below is the classification and breakdown of the UIFWE, still investigated at the date of the report.

No	Item (2022/23)	Item (2023/24)
1	Unauthorised expenditure (R633 039 020)	Unauthorised expenditure (R 648 451 266)
2	Unauthorised expenditure: Budget overspending – per municipal department (R104 488 556)	Unauthorised expenditure: Budget overspending – per municipal department (22 987 860)
3	Fruitless and wasteful expenditure (R114 247 002)	Fruitless and wasteful expenditure (R 114 866 510)
4	Irregular Expenditure (R473 677 595)	Irregular Expenditure (422 033 143)

Note: The Municipality has since developed a UIFWE Reduction strategy, and it was approved by the Council on 22/23 FY. The Municipal Public Accounts will be dealing with the historical information, which at the state presents a limitation of scope, as the supporting documents thereto cannot be traced. Engagements with both the Auditor General and the National Treasury are continuing, with the aim of agreeing and demonstrating the methodology followed in order to accept the write off in terms of the figures that cannot be substantiated.

5.3 Analysis of Contingencies

Adelaide Klara KOK vs Inxuba Yethemba Local Municipality	Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 44/2022. Estimated amount R66 359,67.
Shereno Printers vs Inxuba Yethemba Local Municipality	Letter of demand received by Municipality for payment of services rendered. Estimated amount R153 495.
Charlene Vorster vs Inxuba Yethemba Local Municipality	Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 55/2022. Estimated amount R19 843,22.
Sipunzi vs Inxuba Yethemba Local Municipality	Unfair labour practice Case no : PR155/21.
Fortuin vs Inxuba Yethemba Local Municipality	Contempt of court application Case no: P130/22, Applicant abandoned contempt of court proceedings and will instead proceed with an application to quantify the arbitration award. Estimated amount R103 049.
Reza vs Inxuba Yethemba Local Municipality	Application for reconnection of electricity and ancillary relief launched against Municipality Case no: 95/2023. Estimated amount R100 000.
Irene Duda vs Inxuba Yethemba Local Municipality	Letter of demand received by Municipality for payment of acting allowance shortfall. Estimated amount R145 318.

Vuyiseka Hukwe vs Inxuba Yethemba Local Municipality	Section 30 letter of demand received by municipality for a claim for damages due to injury. Estimated amount R400 000
Siphiwo G. Tyindi vs Inxuba Yethemba Local Municipality	A claim was instituted against the Municipality for damages by Plaintiff . Breach of contract. Estimated amount R90 654.03.
Bebeza Mili & Others vs Inxuba Yethemba Local Municipality.	Unfair Labour Practice. Estimated amount R0.00
Reza vs Inxuba Local Municipality	Application for reconnection of electricity and ancillary relief launched against Municipality Case no: 95/2023. Estimated amount R100 000.
Charlene Vorster vs Inxuba Yethemba Local Municipality	Instruction from municipality to defend Plaintiff's claim to be repaid for payment made to obtain clearance certificate. Estimated amount R19 843.22
Msobomvu Human Capital (Pty) Ltd vs Inxuba Yethemba Local Municipality	Mining company who has instituted litigation against the municipality to have the cancellation of a purported verbal lease agreement declared unlawful and to regain access to the land on which they were mining/intend to mine. Estimated R0.00
Ncumisa Nwabisa Amelisa Mongo vs Inxuba Yethemba Local Municipality	New instruction - memorandum of advice will be prepared and submitted to the municipality in due course. Estimated amount R0.00
X Msweli vs Inxuba Yethemba Local Municipality	Unfair Labor Practice. Estimated R0,00
Nasiphi Qali vs Inxuba Yethemba Local Municipality	The case concerns insubordination, Disrespect by an employee (Nasiphi) to her senior director. The employee was dismissed by Internal disciplinary hearing based on insubordination and damage of property. She referred her dismissal as unfair. Estimated amount R0.00
Vuyokasi Dubusana vs Inxuba Yethemba Local Municipality	The case concerns dismissal of an employee (Vuyokasi), she referred her dismissal as unfair. Estimated amount R0.00
Ms Jane Songase vs Inxuba Yethemba Local Municipality	The dispute arises as a result of the deed of sale concluded between the IY municipality and Ms Jane Songase that was erroneously transferred to Queen Wayisa who drafted a will

5.4 Overview/Independent Analysis of the Financial Results

Operating Results	Going Concern	Statement of Financial Position	Budget Vs Actual Analysis	Implications from Information and Disclosure
Net deficit of the municipality was R 65 501 845 (2023: deficit R 158 819 895).	Accumulated surplus of R 575 391 212 and that the municipality's current liabilities exceed its current assets by R 561 762 944	Increase in Exchange Receivables (48 598 167 from prior year of 13 921 334) This may include uncollected Prior Year end as well as current Year baseline Revenue projections from the Budget side. Non movement of receivables impacts negatively on Cashflow, hence the negative Cashflow (Outflow). Potential of high impairments in the midst of high slow moving debt)	Unforeseen general expenditure had to be incurred amounted 34m	Age Analysis for Receivables from Exchange shows R1,1m still sitting in more than 151 days
Increase in Employee Costs by R8 463 712(125 532 482 from prior year of R117 068770)	Deficit of R 96 851 292 (2023: R 159 657 968).	Increase in Payables from Exchange transactions (R686 119 528 from 565 875 372	The increase in employee costs is a result of general inflationary adjustments and acting allowances. The increase in payables is mainly attributed to the municipality's failure to service the Eskom & AG Debt and as result interest charged increases the payables.	Straining of the municipal resources by spending more than was budgeted.

Increase in Write off of Bad Debts (R36 081 578 from R10 359 287 prior y)	Net outflow of cash reserves in the current financial year		The increase in bad debts written off is a result of unemployment and huge population of indigents	The municipality will not recover the value of goods and services given to these communities and puts strains on the budget.
		Provisions increased (R22 691 292 from 17 768 462 last year)	The provision increase is a systematic annual provision that accumulates to the estimated restoration amount determined at the beginning of the project	Non-monetary provision, but it shows an estimated amount to be spent in restoring the landfill site
Employee benefits		Employee Benefit Obligation as a current liability (R38 791 843 compared to prior year of 39 978 475	The change is a result of changes in estimates and other variables used to determine the closing value.	Non-monetary provision, but it shows an estimated amount to be spent in the future.

5.5 Independent Analysis of Expenditure: Challenges and Improvement Plan

Analysis of Expenditure

Cost of Employees	(125 532 482)	27%	Acting allowances. Suspended personnel still on payroll and personnel working in their stead receiving acting allowances. Inflationary adjustments.	The municipality should immediately appoint employees to avoid double payments for the same position.
Bulk Purchases	(116 868 088)	25%	Electrical usage has increased. Rates per unit has gone up. Transmission losses General inflationary adjustments. Additional housing units added to the grid	Though the increase is putting a strain on the municipal finances, it is due to an increase in the number of households using electricity and general inflation. The municipality should disconnect illegal connections and put in place stringent punitive measures to those found with unapproved connections.
Contracted Services	(35 938 912)	7%	Increase in legal cases. Employees having limited knowledge about the accounting system. Assistance in financial preparation and asset register preparation	The municipality will have to develop its personnel so that they understand all these disciplines especially in accounting system usage.
Finance Costs	(43 685 171)	9%	The municipality has been struggling financially so it has been difficult to settle debts on time.	The municipality should enhance its revenue collection through use of debt collectors and other revenue creation activities for example revamping, improvement & renovation of Vusubuntu cultural village lodge

Depreciation	(51 220 728)	5%	Depreciable assets constitute a bigger financial value of the municipality hence the depreciation costs follows the asset cost	N/A
Bad Debts Written Off	(36 081 578)	8%	Low income of debt payers. Most people in the municipal area indigents and needs government assistance.	The municipality should find ways of creating employment by working with the national government and any other potential local, national or international investors.
General Expenditure	(52 834 436)	11%	Staff struggles to understand the financial system used to capture financial records. Auditors working for extended time and paid per time worked In an environment where more people are unemployed the municipality creates more social programs to assist its citizens	The municipality can reduce the training costs by selecting specific people who would go to training. The trained people will in turn train other staff members especially if the training is about system software.
Total of Major Expenditure	(462 161 395)	92%		
Total Operating Expenditure	(504 295 397)	100%		

KEY FINANCE MANGEMENT ARREARS OF FOCUS

No	Area	Issues Identified	Intervention Plan
1	Revenue	<p>Low Collection triggered by distribution losses and mon collection of the 3 wards under Eskom</p> <p>Main Source is Electricity more than Rates</p> <p>Rates</p> <p>Update of GV – Objections not yet open</p> <p>Problem Debtor relates to those problematic from the 3 different wards which are under Eskom</p>	<p>Eskom to hand over to municipality since they are not able to collect on behalf of the municipality.</p> <p>Eskom to handover major asses</p> <p>Finalise Revenue Enhancement Strategy</p> <p>Software utilization improvement to ensure accessibility to clients beyond working hours</p> <p>New GV implementation by finalising Objections</p> <p>Potential is on the revenue Subdivision of municipal properties</p>
2	Expenditure	<p>Increase in operational costs</p> <p>Increase in Non-Compliant Deviations</p> <p>Non Compliance when using Deviations</p> <p>Increase in Legal Services</p> <p>Security Services</p> <p>These are part of the Analytics</p> <p>Fruitless I relation to Eskom amount on Amnesty</p>	<p>Cost Containment</p> <p>Spending within Procurement Plans</p> <p>Curbing Unauthorised Expenditure by ensuring Departments own their Budgets</p> <p>Budget Steering committee activation</p>
3	Financial Misconduct	<p>Increase in Unauthorised, Irregular, Fruitless & Wasteful Expenditures</p>	<p>Financial misconduct will be investigated. Disciplinary steps will be taken based on the results of these investigations.</p>
4	Budget		<p>Monitoring of the implementation of the budget</p>
5	SCM	<p>Deviations</p> <p>Non Compliance when using Deviations</p> <p>Internal Controls deficiencies</p>	<p>Monitoring of Supply Chain Management internal Controls.</p> <p>Review of SCM Policy</p>
6	Audit	<p>Increase in number of COAFs issued the</p>	<p>Minimise or eliminate audit findings.</p> <p>Monitoring of Audit Action Plan Implementation</p>

CHAPTER 6: AUDITOR GENERAL FINDINGS

6.1 Action Plan (2023/2024 FY) Overall Implementation Status

Level of Implementation	Performance	%
Addressed/Resolved	19	83%
Partially Addressed/In-progress	4	17%
Not resolved	0	0%
Total	23	100%

The Municipality obtained an Unqualified opinion with findings during the previous financial period. This is the same as the previous year's audit outcome, however the Municipality significantly reduced the number of findings within the comparative years. The table below illustrates the componentisation of the overall audit over the comparative years and the the performance of the Municipality per outcome area for the past 4 years.

6.2 Audit results per outcome area

Outcome area	Movement	2023-24	2022-23	2021-22	2020-21
Financial statements					
	Annual performance report				
<ul style="list-style-type: none"> Development priority – Basic Service Delivery 					
	Compliance with legislation				
<ul style="list-style-type: none"> AFS, APR, & Annual Report 					
<ul style="list-style-type: none"> Procurement and Contract Management 					
<ul style="list-style-type: none"> Expenditure Management 					
<ul style="list-style-type: none"> Revenue Management 					
<ul style="list-style-type: none"> Assets management 					
<ul style="list-style-type: none"> Consequence management 					
<ul style="list-style-type: none"> Strategic planning & Performance 					
<ul style="list-style-type: none"> Grant Management 					
<ul style="list-style-type: none"> Human resource management 					

	Unqualified / No material findings		Qualified		Adverse		Disclaimed		Material findings		Not audited
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	Improvement		Regression		Unchanged
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During the 2023/24 Financial Year, there were number of COAFS (Communication of Audit Findings) that were raised by the Auditor generally and were all satisfactorily resolved during the audit including the adjustment to material AFS issues.

The overall audit outcome of the Municipality reflects a stagnant movement between the current year and the two preceding financial years. Matters needing attention as per the Auditor General's Report include

- Non-compliance with the MFMA.
- internal control deficiencies
- Financial Misconduct cases
- The municipality developed an action plan to address the external audit findings reported in the prior year, however there were some of the prior year audit findings being raised during the current year audit which were not fully cleared. The Municipality has since resolved to develop an Integrated Audit Improvement Strategy in order to ensure moving upward in terms of the Audit Outcomes that would be indicative of Good Governance.
- In a bid to improve the situation of the Liquidity of the Municipality, which is largely due to the current liabilities exceeding the current assets as caused by the Eskom Debt, the accounting officer undertook to submit an application to the National Treasury seeking a relief from the debt owed to Eskom in the form of a structured write-off of the debt over a number of years.
- Additionally, upon submission of the Debt relief application, the Municipality was approved to participate on the programme as at 1st November 2023.

The Municipality retained an Unqualified Audit outcome for 2023/24 Audit, The Annual Financial Statement were submitted to the Auditor General on the 31st August 2024 an were audited.

6.3 Achievement of planned Performance targets – Performance Information (2023/24)

Not all of the planned targets were achieved during the year under review on the selected Key Performance Area for the Predetermined Objectives. (Service delivery indicators not achieved – Basic service delivery and infrastructure development)

Key service delivery indicators not achieved	Planned target	Reported achievement
Number of vehicle testing stations purchased	1	0
Number of IYM facilities refurbished	1	0
Number of business licenses approved	25	0

In order to improve the Reporting and performance on the Service Delivery side which is the core of the Municipality, the Accounting officer is considering soliciting the services of an expert around the Audit of Performance Objectives (AOPO)

ANNEXURES

Annexure A- 2.7 THREE YEAR CAPITAL PLAN (3YCP)

Grant (Source of Funding)	Project Name	Ward	Total Project Cost	Total MTEF Project Allocati on	2016/1 7 Allocat ion	2017/18 Allocatio n	2018/19 Allocatio n	2022/23 Allocation	2023/24 Allocation	2024/25 Allocation
						R 816,000.00	R 793,100.00	R 805,200.00	R 838,700	
					Previous 2 Financial Years		M T E F			
	IYM Municipal Farm Commonage s	All	R 4,000,000		R 700,000			R 2,000,000.0 0	R 0.0 0	R 0.00
	Lusaka & Midros High Mast Lights	7 & 8	R 12,950,000		R 2,733,000			R 3,000,000.0 0	R 0.0 0	R 0.00
	Lingelihle Community Hall	2	R 13,500,000		R 4,200,000	R 5,823,000		R 3,000,000	R 0	0
	Paving of Midros Access Road (Rivier Weg)	7 & 8	R 15,000, 000	R 16,500,000	R 778,00 0	R 3,640,000	R 4,000,000	R 5,500,000	R 7,000,000	R 2,500,00 0
	Paving of Chris Hani Street &	2	R	R	R	R	R	R	R	R

Municipal Infrastructure Grant (MIG)	StormWater Control		12,000,000	10,500,000	1,631,866	10,368,134	0	4,500,000	6,000,000	1,500,000
	Paving of Joko Avenue & Storm Water Control	9	R 9,000,000	R 13,400,000		R 750,000	R 4,400,000	R 4,500,000	R 4,500,000	R 0
	Paving of Michausdal Internal Roads& Storm Water Control	4	R 12,000,000	R 9,000,000		R 900,000	R 5,000,000	R 0	R 4,000,000	R 8,000,000
	Installation of High Mast Lights in Rosmead	7	R 3,700,000	R 13,559,000		R 741,000	R 9,859,000	R 0	R 3,700,000	
	Paving of Raymond Mhlaba Street	6	R 9,000,000	R 9,568,000		R 0	R 7,568,000	R 0	R 2,000,000.00	R 4,000,000.00
	Refurbishment of Cradock Sports Field (DSRAC)	5	R 11,000,000						R 11,000,000.00	R 0.00
	Paving of Nkonjane Street	1	R 12,950,000							R 3,000,000.00
	Paving of Thembeni Street	3	R 9,500,000							R 3,000,000.00
	Paving of Solomon Mahlangu	8	R 15,000,	R 0						R 4,000,000.

	Street (KwaNonza me2 Rooms Section)		000							00
	Paving of Sikulu Street (Phase 1), Cradock	1; 2; 3	R 15,500, 000							R 7,000,000. 00
	Refurbishment of Cradock Town Hall, Phase 2	5	R 9,000,0 00	R 0						
	Paving of Steenbok Street and Stormwater Control	4	R 9,000,0 00	R 0						
	Paving of Olifants Street & StormWater Control	6	R 7,800,0 00	R 0						
MIG MTEF Total Allocation			R 180,900,00 0.00	R 72,527,00 0.00	R 10,042,866 .00	22,222,13 4.00	R 30,827,000.00	R 22,500,000.00	R 38,200,000.00	R 33,000,000.0 0
Energy Efficiency and Demand-Side Management	Upgrading of Municipal Street Lighting	5 & 9	R 15,500,000. 00					R 4,500,000.00	R 5,000,000.00	R 6,000,000.00

Grant										
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ANNEXURE B: COUNCIL APPROVED POLICIES – 2023/24

1.	POLICY	DATE APPROVED /REVIEW	RESOLUTION No	REVIEWAL DATE	RESPONSIBLE PERSON	SIGN OFF MUNICIPAL MANGER
1.MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT						
1.1	Acting, Transfer and Secondment Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.2	Bereavement policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.3	Bursary Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.4	Declaration of Private Work Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.5	Disciplinary Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.6	Education, Training and Skills Development Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.7	Employment Equity Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.8	Draft Performance Management and Development Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.9	In-capacity due to Ill-health	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.10	Employee Imprisonment	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.11	Incapacity due to Operational Requirements	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.12	Internship, Learner ship and In-service Training	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.13	-keeping, Auxiliary, Community Halls and Facilities Usage Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.14	Personal Protective Clothing / Equipment Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.15	Job Evaluation Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.16	Leave and Attendance Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.17	Overtime Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	

1.18	Placement Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.19	EAP Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.20	Promotion and Demotion Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.21	Recruitment and Selection Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.22	Stand-by Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.23	Talent Management and Succession Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.24	Termination Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.INFORMATION COMMUNICATION TECHNOLOGY						
1.25	Data Back-up and Recovery Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.26	Telephone Usage	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.27	User Access Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.28	Internet Usage Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.29	BOYD- BOYOMD Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.30	Email Usage Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.31	ICT Change management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.32	ICT Equipment Usage Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.34	ICT Security Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.35	Corporate Governance and Charter	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.36	Password and Security Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	
1.37	ICT Governance Framework policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: CORPORATE SERVICES	

1.38	ICT Business continuity and disaster recovery policy	31/05/2024	C707/24	ANNUALLY	Director: Corporate Services	
1.39	Data backup plan	31/05/2024	C707/24	ANNUALLY	Director: Corporate Services	
1.40	ICT Business continuity and disaster recovery plan	31/05/2024	C707/24	ANNUALLY	Director: Corporate Services	

2.FINANCIAL VIABILITY AND MANAGEMENT

2.1	Budget Development	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.2	Cash Management and Investment Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.3	Debt Impairment and Write –Off	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.4	Debt Impairment and Write –Off	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.5	Funding and Reserves Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.6	Grant Management Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.7	Assets Management Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.8	Rates Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.9	Unclaimed Monies Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.10	Tariffs By-law	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.11	Tariffs Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.12	Debt Settlement Incentive Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.13	Indigent Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.14	Inventory Management Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.15	UIFWE Reduction Strategy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
2.16	Subsistence and Travelling Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	

2.17	Vermont Policy	31/05/2024	C707/24	ANNUALLY	CHIEF FINANCIAL OFFICER	
3.LOCAL ECONOMIC DEVELOPMET						
3.1	Commonage Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: IPED	
3.2	Flats Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: IPED	
3.3	Spaza Shops Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: IPED	
3.4	Land Disposal Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: IPED	
4. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT						
4.1	Storm-water Management By-law	31/05/2024	C707/24	ANNUALLY	DIRECTOR: TECHNICAL SERVICES	
4.2	Capital Projects Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: TECHNICAL SERVICES	
4.3	Electricity Provision Management Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: TECHNICAL SERVICES	
4.4	ISD Policy	31/05/2024	C707/24	ANNUALLY	DIRECTOR: TECHNICAL SERVICES	

ANNEXURE C: FILLED POSITIONS – 2023/24

Filled and Vacant Posts				
No	Emp code	Dept	Occupation	Post Scale
1	10636	99	YOUTH OUTREACH CO-ORDINATOR	T07
2	10637	99	CAREER GUIDANCE CO-ORDINATOR	T07
3	10981	99	MPAC COORDINATOR	T11
4	10749	100	MANAGER : INTERNAL AUDIT	T17
5	10766	100	MANAGER : UNIT HEAD MANAGER MIDDELBURG	T16
6	10876	100	MANAGER OFFICE OF THE MUNICIPA	T16
7	10945	100	IDP/PMS MANAGER	T14
8	10974	100	Public Participation Officer	T11
9	10980	100	RISK MANAGEMENT OFFICER	T11
10	10988	100	INTERNAL AUDITOR	T11
11	10994	100	SECRETARY MM OFFICE	T07
12	10639	102	ADMIN OFFICIAL / SECRETARY	T07

13	10246	200	COMMITTEE CLERK	T06
14	10380	200	ADMIN OFFICIAL / PERSONAL SECRETARY	T07
15	10501	200	SKILLS DEVELOPMENT FACILITATOR	T11
16	10512	200	SECRETARY CORPORATE SERVICES	T07
	11003	200	HUMAN RESOURCE CLERK	T 06
	11002	200	HUMAN RESOURCE PRACTITIONER	T12
Filled and Vacant Posts				
No	Pay no	Dept	Occupation	Salary Scale
17	10658	200	OCCUPATIONAL HEALTH AND SAFETY	T11
18	10884	200	ADMINISTRATION CLERK	T07
19	10893	200	GENERAL WORKER LEVEL II (CLEAN	T03
20	10909	200	COUNCIL SUPPORT OFFICER	T11
21	10910	200	SUPERVISOR(HALLS CLEANING SERVICES)	T11
22	10911	200	REGISTRATION CLERK	T06
23	10936	200	HUMAN RESOURCES CLERK	T06
24	10948	200	LABOUR RELATIONS OFFICER	T11
25	10949	200	EMPLOYEE ASSISTANT PRACTITIONER	T11
26	10972	200	CLERK: COMMITTEE	T06
27	10930	204	IT MANAGER	T16
28	10959	204	ICT-SYSTEMS ADMINISTRATOR	T11
29	10995	204	IT Helpdesk Technician	T11
30	10045	226	CLEANER: CDK	T03
31	10060	226	CARETAKER LINGELIHLE	T03
32	10372	226	GENERAL CLEANER LEVEL II	T03
33	10459	226	CARETAKER	T06
34	10536	226	CARETAKER	T06
35	10602	226	GENERAL CLEANER LEVEL II	T03
36	10694	226	GENERAL WORKER	T03
37	10695	226	CLEANER / MESSENGER	T03
38	10840	226	CLEANER	T03
39	10842	226	CLEANER : CORPORATE SERVICES	T03
40	10843	226	CLEANER : CORPORATE SERVICES	T03
41	10845	226	CARETAKER	T06
42	10846	226	GENERAL CLEANER LEVEL II	T03
43	10847	226	GENERAL CLEANER LEVEL II	T03
44	10753	300	MANAGER REVENUE	T14
45	10899	300	CASHIER	T06
46	10900	300	CASHIER	T06
47	10908	300	CASHIER	T06
48	10942	300	CASHIER	T06
49	10956	300	SECRETARY CFO	T07
50	10489	322	ENQUIRY CLERK: CRADOCK	T06
Filled and Vacant Post				
No	Pay no	Dept	Occupation	Salary Scale

51	10490	322	RATES CLERK: CRADOCK	T06
52	10560	322	INCOME CLERK	T06
53	10649	322	CASHIER	T06
54	10654	322	CASHIER	T07
55	10714	322	CASHIER	T06
56	10729	322	SUPERVISOR(HALLS CLEANING SERVICES)	T11
57	10810	322	PREPAID SYSTEM OPERATOR	T06
58	10812	322	CASHIER	T05
59	10813	322	CUSTOMER CARE CLERK	T06
60	10814	322	CASHIER	T06
61	10818	322	METER READER	T05
62	10820	322	METER READER	T05
63	10822	322	METER READER	T05
64	10823	322	METER READER	T05
65	10864	322	DATA CAPTURER	T05
66	10871	322	SUPERVISOR LICENCES	T08
67	10962	322	CASHIER	T06
68	10984	322	CASHIER	T06
69	10996	322	PREPAID SYSTEM OPERATOR	T06
70	10997	322	CASHIER	T06
71	10998	322	CASHIER	T06
72	10999	322	DEBT COLLECTION CLERK	T06
73	10487	334	CONTROLLER(FINANCE)	T10
74	10666	334	CLERK(SALARIES)	T06
75	10675	334	ACCOUNTANT (FINANCE)	T12
76	10929	334	MANAGER : SUPPLY CHAIN	T17
77	10934	334	SUPPLY CHAIN CLERK	T07
78	10946	334	CLERK(SALARIES)	T06
79	10971	334	CLERK(EXPENDITURE)	T06
80	10982	334	DEMAND AND ACQUISITION CLERK	T07
81	22034	334	CLERK: CREDITORS	T06
82	10986	335	BTO : STORES CLERK	T06
83	10545	346	CLERK: ASSET MANAGEMENT	T06
84	10615	346	DEBTORS COLLECTION : OFFICER	T11
85	10914	346	BUYER / STORES CONTROLLER	T11
86	10983	346	BUDGET REPORTING CLERK	T06
87	11000	346	MANAGER BUDGET AND REPORTING	T16
88	10653	357	CLERK: INDIGENTS CDK	T06
89	10947	357	ACCOUNTANT (FINANCE)	T12
90	10978	357	ASSETS/BUDGET BANK RECON CLERK	T06
91	10993	357	CLERK: DEBT COLLECTINFG CDK	T06
Filled and Vacant Posts				

No	Pay No	Dept	Occupation	Salary Scale
92	10792	400	FOREMAN ENVIRONMENTAL SERVICES	T08
93	10895	400	GENERAL WORKER	T03
94	10985	400	HIV/AIDS CO-ORDINATOR ASSISTAN	T09
95	10987	400	SECRETARY COMMUNITY SERVICES	T07
96	10992	400	EPWP DATA CAPTURER	T06
97	22105	400	OFFICE ASSISTANT / CLEANER MBG	T03
98	10025	412	CLEANER / MESSENGER MICHDAL.	T03
100	10616	412	GENERAL WORKER	T03
101	10709	412	LIBRARY ATTENDANT	T03
102	10801	412	MANAGER LIBRARIES	T15
103	10919	412	LIBRARY ATTENDANT	T04
104	10920	412	LIBRARY ATTENDANT	T04
105	10955	412	SNR LIBRARIAN ASSISTANT	T06
106	10973	412	SNR LIBRARIAN ASSISTANT	T06
107	22042	412	SNR LIBRARIAN ASSISTANT MIDROS	T06
108	10689	439	GENERAL ASSISTANT(CLEANER/MESS	
109	10257	452	CLEANSING FOREMAN	T09
110	10283	452	GENERAL WORKER REFUSE REMOVAL	T03
111	10377	452	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
112	10383	452	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
113	10435	452	GENERAL WORKER (TRACTOR STREET SWEEPERS)	T03
114	10463	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
115	10464	452	GENERAL WORKER NIGHT SOIL SU	T03
116	10465	452	GENERAL WORKER NIGHT SOIL SU	T03
117	10505	452	SUPERINTENDENT CLEANSING	T11
118	10527	452	GENERAL WORKER REFUSE REMOVAL	T03
119	10528	452	GENERAL WORKER PUBLIC TOILET	T03
120	10529	452	GENERAL WORKER SUCTION TANK	T03
121	10549	452	GENERAL WORKER BUS. INDUS. H	T03
122	10617	452	GENERAL WORKER	T03
123	10671	452	GENERAL WORKER	T03
124	10672	452	GENERAL WORKER	T03
Filled and Vacant Posts				
No	Pay No	Dept	Occupation	Salary Scale
125	10692	452	GENERAL WORKER	T03
126	10706	452	GENERAL WORKER	T03
127	10710	452	GENERAL WORKER	T03

128	10755	452	DRIVER OPERATOR	T06
129	10786	452	GENERAL WORKER	T03
130	10788	452	GENERAL WORKER	T03
131	10825	452	GENERAL WORKER	T03
132	10826	452	GENERAL WORKER	T03
133	10827	452	GENERAL WORKER	T03
134	10828	452	GENERAL WORKER	T03
135	10830	452	GENERAL WORKER	T03
136	10833	452	GENERAL WORKER	T03
137	10837	452	GENERAL WORKER	T03
138	10839	452	GENERAL WORKER	T03
139	22062	452	TRACTOR DRIVER BUS. INDUS H/	T05
140	22140	452	GENERAL WORKER NIGHT SOIL SUCTION TANK	T03
141	10379	453	GENERAL WORKER (TRUCK REFUSE REMOVAL)	T03
142	10836	453	GENERAL WORKER	T03
143	10990	453	GENERAL WORKER	T03
144	10138	455	MOWER OPERATOR	T03
145	10365	455	GENERAL WORKER L	T03
146	10405	455	GENERAL WORKER M/DAL	T03
147	10461	455	GENERAL WORKER	T03
148	10620	455	GENERAL WORKER	T03
149	10652	455	CLEANER / MESSENGER KWANOZ.	T03
150	10676	455	GENERAL WORKER	T03
151	10687	455	GENERAL WORKER	T03
152	10787	455	GENERAL WORKER	T03
153	10789	455	GENERAL WORKER	T03
154	10790	455	GENERAL WORKER	T03
155	10824	455	GENERAL WORKER	T03
156	10835	455	GENERAL WORKER	T03
157	10849	455	TRACTOR DRIVER	T06
158	10851	455	GENERAL WORKER	T06
Filled and Vacant Posts				
No	Pay No	Dept	Occupation	Salary Scale
159	10954	455	ASS. SUPERVISOR SPORTS COMPLEX	T08
160	10958	455	ENVIRONMENTAL OFFICER	T10
161	22035	455	FOREMAN ENVIRONMENTAL SERVICES	T08
162	22071	455	GENERAL WORKER	T03
163	22095	455	GENERAL WORKER	T03
164	10153	456	TRACTOR DRIVER CDK	T06

165	10165	456	TRUCK DRIVER	T05
166	10166	456	TRACTOR DRIVER MICHD LING	T05
167	10332	456	CHALET CLEANER	T03
168	10421	456	MOWER OPERATOR	T03
169	10951	459	EXAMINER OF DRIVERS LICENCE	T10
170	10844	460	JUNIOR FIRE FIGHTER	T06
171	10938	460	JUNIOR FIRE FIGHTER	T06
172	10939	460	JUNIOR FIRE FIGHTER	T06
173	10941	460	JUNIOR FIRE FIGHTER	T06
174	10583	476	SUPERINTENDENT(TRAFFIC)	T12
175	10782	476	CHIEF PROTECTION SERVICES	T15
176	10925	476	CASHIER	T06
177	10937	476	EXAMINER OF LICENCES	T10
178	10952	476	TRAFFIC OFFICER	T10
179	10989	476	EXAMINER OF LICENCES	T10
180	22116	476	PIT ASSISTANT / CLEANER MBG	T03
181	10630	500	RECEPTIONIST	T06
182	10662	500	RECEPTIONIST/WORD PROCESSING OPERATOR	T06
183	10758	500	GENERAL WORKER	T03
184	10867	562	BUILDING INSPECTOR	T10
185	10917	562	MANAGER : TOWN PLANNING	T15
Filled and Vacant Posts				
No	Pay No	Dept	Occupation	Salary Scale
186	10918	562	BUILDING INSPECTOR	T10
187	10975	565	HOUSING : DATA CAPTURER : CRAD	T05
188	10976	565	HOUSING : DATA CAPTURER : CRAD	T05
189	10964	571	ISD OFFICER	T10
190	10482	572	GENERAL WORKER	T03
191	10656	572	HANDYMAN(WELDING)	T06
192	10759	572	GENERAL WORKER	T03
193	10776	572	GENERAL ASSISTANT(WELDING)	T03
194	10784	572	GENERAL WORKER	T03
195	10189	574	GENERAL WORKER	T03
196	10363	574	HANDYMAN: P/WORKS CDK	T06
197	10604	574	GENERAL WORKER	T03
198	10605	574	GENERAL WORKER	T03
199	10609	574	GENERAL WORKER	T03
200	10763	574	GENERAL WORKER	T03
201	10764	574	GENERAL WORKER	T03
202	10779	574	TRACTOR DRIVER	T06
203	10795	574	GENERAL WORKER	T03
204	10797	574	GENERAL WORKER	T03
205	10853	574	GENERAL WORKER	T03
206	10854	574	ASA HEAVY PLANT OPERATOR : GRA	T07

207	10855	574	ASA HEAVY PLANT OPERATOR : TLB	T07
208	10857	574	GENERAL WORKER	T03
209	10891	574	GENERAL WORKER	T03
210	10892	574	GENERAL WORKER	T03
211	10927	574	GENERAL WORKER	T03
212	10478	580	TRACTOR DRIVER	T06
213	10480	580	GENERAL WORKER	T03
214	10569	580	FOREMAN	T09
215	10607	580	GENERAL WORKER	T03
216	10608	580	GENERAL WORKER	T03
217	10734	580	RECEPTIONIST/RADIO OPERATOR/DA	T06
218	10761	580	FOREMAN: PUBLIC WORKS CDK	T09
219	10796	580	SUPERVISOR: PUBLIC WORKS	T10
220	10803	580	GENERAL WORKER	T03
221	10858	580	TRACTOR DRIVER	T06
222	10882	580	SUPERINTENDENT(PUBLIC WORKS)	T12
223	22009	580	CHIEF: PUBLIC WORKS HSING BU	T12
224	22088	580	HEAVY PLANT OPERATOR: P/WORKS	T07
225	22096	580	FOREMAN	T09
				T10
226	10931	590	ARTISAN(ELECTRICIAN)	
Filled and Vacant Posts				
NO	Pay no	Dept	Occupation	Salary Scale
227	10932	590	FIELDWORKER	T04
228	10453	592	SUPERINTENDENT(ELECTRICAL)	T12
229	10562	592	SUPERINTENDENT(ELECTRICAL)	T12
230	10585	592	ELECTRICIAN	T11
231	10610	592	ELECTRICIAN	T11
232	10611	592	GENERAL WORKER	T03
233	10638	592	GENERAL WORKER	T03
234	10698	592	ASSISTANT ELECTRICIAN	T11
235	10737	592	ARTISAN(ELECTRICIAN)	T11
236	10738	592	HANDYMAN(ELECTRICAL)	T05
237	10740	592	ARTISAN(ELECTRICIAN)	T11
238	10741	592	GENERAL ASSISTANT(ELECTRICAL)	T03
239	10742	592	ARTISAN(ELECTRICIAN)	T11
240	10777	592	ARTISAN(ELECTRICIAN)	T11
241	10804	592	ASSISTANT ELECTRICIAN	T11
242	10805	592	ASSISTANT ELECTRICIAN	T11
243	10866	592	GENERAL WORKER : ELECTRICAL SE	T0.3
244	10872	592	GENERAL ASSISTANT(ELECTRICAL)	T03
245	10873	592	GENERAL ASSISTANT(ELECTRICAL)	T03
246	10874	592	GENERAL WORKER	T03
247	10944	592	ARTISAN(ELECTRICIAN)	T11

248	10977	592	ARTISAN(ELECTRICIAN)	T11
249	10979	592	ARTISAN(ELECTRICIAN)	T11
250	52018	592	GENERAL WORKER : ELECTRICAL SE	T03.
251	10770	700	GENERAL WORKER	T03
252	10841	700	SMME DEVELOPMENT OFFICER	T11
253	10889	700	GENERAL WORKER LEVEL II (CLEAN	T03
254	10896	700	NIGHT WATCHMAN : CRADOCK SPA	T03
255	10898	700	NIGHTWATCHMAN	T03
256	10901	700	GENERAL WORKER LEVEL II (CLEAN	T03
257	10902	700	GENERAL WORKER LEVEL II (CLEAN	T03
Filled and Vacant Posts				
No	Pay no	Dept	Occupation	Salary scale
258	10903	700	GENERAL WORKER LEVEL II (CLEAN	T03
259	10904	700	GENERAL WORKER LEVEL II (CLEAN	T03
260	10905	700	GENERAL WORKER LEVEL II (CLEAN	T03
261	22117	710	CLEANER: CARAVAN PARK MBG	T03
262	10098	721	AGRIC. SERVICES ASSISTANT: CDK	T03
263	10415	721	AGRIC. SERVICES ASSISTANT: CDK	T03
264	10670	721	AGRIC. SERVICES ASSISTANT: CDK	T03
265	10699	721	GENERAL WORKER	T03
266	10772	721	GENERAL WORKER	T03
267	10863	721	GENERAL ASSISTANT(CLEANER/MESSENGER)	T03
268	10921	721	POUND ASSISTANT	T03
269	10923	721	POUND ASSISTANT	T03
270	10924	721	POUND ASSISTANT	T03
271	10957	721	AGRICULTURAL DEVELOPMENT OFFIC	T11
272	10103	733	NIGHT WATCH	T03
273	10112	733	NIGHT WATCH	T03
274	10633	733	CHALET CLEANER	T02
275	10673	733	CHALET CLEANER	T03
276	10732	733	GENERAL WORKER LEVEL II (CLEAN	T03
277	10733	733	GENERAL WORKER LEVEL II (CLEAN	T03
278	10771	733	GENERAL WORKER LEVEL II (CLEAN	T03
279	10793	733	GENERAL WORKER TERRAIN CLEANER	T03
280	10865	733	NIGHT WATCHMAN : CRADOCK SPA	T03
281	10881	733	NIGHT WATCH	T03
282	10890	733	GENERAL WORKER LEVEL II (CLEAN	T03
283	10960	733	SUPERVISOR CRADOCK SPA	T08
284	22111	744	ASSISTANT CURATOR: MBG	T05
285	10862	755	RENTAL OFFICER: IPED	T10
286	10668	756	TOURISM INFORMATION PRACTITION	T07
287	10705	756	TOURISM DEVELOPMENT OFFICER	T11
288	10744	756	TOURISM AMENITIES SUPERVISOR	T08
289	10912	756	TOURISM INFORMATION PRACTITION	T07

290	10535	757	CLERK(HOUSING)	T06
291	10557	757	MANAGER : HUMAN SETTLEMENT	T14
292	10859	757	HOUSING OFFICER : CRADOCK	T10
293	10861	757	ADMIN OFFICER(LAND,VALUATION HOUSING)	T10
294	10868	757	HOUSING OFFICER : MIDDELBURG	T10
295	10966	768	MUNICIPAL BUILDING AMENITIES	T05
296	10967	768	MUNICIPAL BUILDING AMENITIES	T05
297	10968	768	MUNICIPAL BUILDING AMENITIES	T05
298	10969	768	MUNICIPAL BUILDING AMENITIES	T05
299	10970	768	TOURISM AMENITIES SUPERVISOR	T08

ANNEXURE D: DETAILED MUNICIPAL PERFORMANCE – 2023/24 (APR)

MUNICIPAL RESULTS

Level	Terminology	Color Code
5	Outstanding Performance	
4	Performance Slightly above Expectations	
3	Fully Effective	
2	Performance not fully effective	
1	Unacceptable Performance	

ACTUAL Q4 PERFORMANCE FOR ORGANIZATION

The above table is used to rate the level of Performance firstly per kpi and then an avrage per Key Performance Indicator.

Percentage Calculations is done as follows:

- Since Level 3 is Fully effective, it shall serve the basis
- Achievements that are below 2/3 of performance are assigned to Level 1, which will hold a performance of 1/3 which is 33.33% per KPI
- Achievements that are below 3/3 but greater or equal to 2/3 of performance are assigned to Level 2, which will hold a performance of 2/3 which is 66.67% per KPI
- Achievements that are below 4/3 but greater or equal to 3/3 of performance are assigned assigned to Level 3, which will hold a performance of 3/3 which is 100% per KPI
- Achievements that are below to 5/3 but greater or equal to 4/3 of performance are assigned to Level 4, which will hold a performance of 4/3 which is 133.33% per KPI

- Achievements that are equal to or greater than 5/3 of performance are assigned Level 5, which will hold a performance of 5/3 which is 166.67% per KPI. Level 5 is the maximum level that can be claimed for achievement

The results were as below

Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
41	35	2.9	2	performance not fully effective	96.75	

ACTUAL Q4 PERFORMANCE FOR KPAS

KPA Performance

KPA	Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Basic Service Delivery	17	15	2.82	2	performance not fully effective	94.12	
Financial Management	4	3	2.75	2	performance not fully effective	91.67	
Good Governance and Public Participation	9	9	3.22	3	performance fully effective	107.41	
Institution Development and Transformation	7	5	2.86	2	performance not fully effective	95.24	
Local Economic Development	4	3	2.75	2	performance not fully effective	91.67	

KPA	Dev Objective	department	KPI Description	activity description	KpiCode	KPI Description	activity description	Budget Allocation	Budget Source	Baseline	Year Target 2023/24
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To provide support to indigent beneficiaries in line with the indigent policy	bto	Number of updates to the indigent register	Each update to the indigent register will require a summary report of the detailed register showing what is updated, the processes and public consultations that were undertaken	2324.1.4.8	Number of updates to the indigent register	Each update to the indigent register will require a summary report of the detailed register showing what is updated, the processes and public consultations that were undertaken	R 1,306,000.00	Opex	1	1
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean environment	community services	Number of Solid Waste Programmes implemented	Measurement shall be the activities (1.refuse removal from streets (household/business/industry refuse) 2. street cleaning/cleansing) conducted on a weekly basis.	2324.2.1.2	Number of Solid Waste Programmes implemented	Measurement shall be the activities (1.refuse removal from streets (household/business/industry refuse) 2. street cleaning/cleansing) conducted on a weekly basis.		Opex	4	2

KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean and safe environment	community services	Number of Waste Management Machineries purchased	purchase of 1 compact truck	2324.2.12.1	Number of Waste Management Machineries purchased	purchase of 1 compact truck	R 1,200,000.00	CAPEX	0	1
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To improve literacy levels	community services	Number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	They will be conducted at community halls. the targeted wards are for lingelihle ward 2, ward 4 , ward 9, ward 7 campaigns shall be counted per event for each ward	2324.2.3.5	Number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	They will be conducted at community halls. the targeted wards are for lingelihle ward 2, ward 4 , ward 9, ward 7 campaigns shall be counted per event for each ward	R800,000.00	DSRAC	4	4
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To contribute in community safety programmes within the municipal area	community services	Number of law enforcement fines issued	traffic enforcement indicator focusing on the issuing of law enforcement fines	2324.2.5.3	Number of law enforcement fines issued	traffic enforcement indicator focusing on the issuing of law enforcement fines	R100 000	Opex	1720	1443
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean and safe environment	community services	Number of Vehicle Testing Stations purchased	purchase of 1 vehicle testing stations equipment	2324.2.5.5	Number of Vehicle Testing Stations purchased	purchase of 1 vehicle testing stations equipment	R 600,000.00	CAPEX	0	1
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean environment	community services	Number of environmental management campaigns conducted	Environmental awareness campaigns (refuse and cultivation of plants)	2324.2.7.8	Number of environmental management campaigns conducted	Environmental awareness campaigns (refuse and cultivation of plants)		Opex	8	12

				conducted for community and schools.			conducted for community and schools.				
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure provision of adequate electricity supply to iym communities	technical services	Number of actions undertaken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity losses	2324.3.2.1	Number of actions undertaken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity losses	R0	Opex	4	10
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure provision of adequate electricity supply to iym communities	technical services	Number of Street lights Retrofitted	replacement of hps bulbs with led bulbs in the following areas,	2324.3.2.8	Number of Street lights Retrofitted	replacement of hps bulbs with led bulbs in the following areas,	R5 000 000	EEDSM	312	377
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective planning and maintance of municipal infrastructure	technical services	Number of infrastructure maintenance plans updated	Update infrastructure maintenance plan. every year the plan must be updated and timelines provided	2324.3.3.1	Number of infrastructure maintenance plans updated	Update infrastructure maintenance plan. every year the plan must be updated and timelines provided	R0	Opex/ Maintenance Budget	1	1
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	Number of meters of road infrastructure paved	1. Paving of joko street – phase 2 (ward 9); 2. midros access road – phase 2 (revier weg in ward 7 & 8); 3.chris hani	2324.3.4.4	Number of meters of road infrastructure paved	1. Paving of joko street – phase 2 (ward 9); 2. Midros access road – phase 2 (revier weg in ward 7 & 8); 3.chris hani	R23,500,000	MIG	600	1500

				street – phase 2 (ward 2); 4. mischausdal internal roads and storm water control – phase 1 (ward 4) 5. Paving of Raymond mhlaba street; by definition paving can include tar, interlocking blocks and concrete surfacing).			street – phase 2 (ward 2); 4. Mischausdal internal roads and storm water control – phase 1 (ward 4) 5. Paving of Raymond mhlaba street; by definition paving can include tar, interlocking blocks and concrete surfacing).				
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	Number of highmast lights erected	highmast lights erected (rosemead)	2324.3.4.6	Number of highmast lights erected	highmast lights erected (rosemead)	R 3,700,000	MIG	25	4
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	Percentage expenditure on mig funds	percentage expenditure on mig funds	2324.3.4.7	Percentage expenditure on mig funds	percentage expenditure on mig funds	R38,200,000	MIG	100	100
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	number of iym facilities refurbished	Refurbishment of dilapidated Cradock sports facility.	2324.3.4.8	number of iym facilities refurbished	Refurbishment of dilapidated Cradock sports facility.	R 11,000,000.00	R8m from DSRAC R3mi from iym	1	1
KPA 1 : SERVICE DELIVERY AND	To ensure effective construction and	technical services	Number of meters of	The kpi measures the	2324.3.4.9	Number of meters of	The kpi measures the	R8 500 000,00	Own Funding	0	1500

INFRASTRUCTURE DEVELOPMENT	maintenance of municipal infrastructure		Cradock streets rehabilitated	number of meters of streets resealed or rehabilitated. The following streets cawood and sprigg street are considered.		Cradock streets rehabilitated	number of meters of streets resealed or rehabilitated. The following streets cawood and sprigg street are considered.				
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To improve local economic development	community services	Number of work opportunities created through Public Employment Programmes	appoint new workers to be deployed in technical community and public directorates	2324.2.10.1	Number of work opportunities created through Public Employment Programmes	appoint new workers to be deployed in technical community and public directorates	R3,300,000.00	Public Works/EPWP Grant	224	224
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To support the establishment of businesses	public	Number of some capacitation training workshops/seminars conducted	conduct training workshops and seminars for businesses	2324.4.3.5	Number of business capacitation training workshops/seminars conducted	conduct training workshops and seminars for businesses	R100 000	Opex	5	8
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To support the establishment of businesses	public	Number of business licenses approved	approve business licenses for operating businesses	2324.4.3.7	Number of business licenses approved	approve business licenses for operating businesses	R0	Opex	20	25
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To Implement Tourism and Heritage Management Plan	public	Number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month	2324.4.4.7	Number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month	R60, 000.00	Opex	4	4

KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve compliance and adherence to legislation	bto	Percentage of submission of information requested by ag	Address auditor general findings and rfis. for 2022/2023 audit	2324.1.4.7	Percentage of submission of information requested by ag	Address auditor general findings and rfis. for 2022/2023 audit	R0	Opex	100	100
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve compliance and adherence to legislation	bto	Number of updates to the Audit Action Plan	audit action plan which is monitored and updated and reported on per quarter	2324.1.4.9 Code update	Number of updates to the Audit Action Plan	audit action plan which is monitored and updated and reported on per quarter	R100 000	FMG	4	4
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure an effective municipal governance in line with applicable legislation	corporate services	Number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentation relating to new/ amended policies strategies, and bylaws	2324.5.7.1	Number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentation relating to new/ amended policies strategies, and bylaws	R0	Opex	20	20
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration	omm	Number of internal audit programmes executed by financial year end	implementation various audit programmes by year end	2324.6.1.1	Number of internal audit programmes executed by financial year end	implementation various audit programmes by year end	R50 000.00	Opex	18	18
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure that the municipality operates free of anticipated risk of maladministration,	omm	Number of Strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk	2324.6.2.2	Number of Strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk	R0	Opex	0	2

	fraud and corruption			register every quarter			register every quarter				
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	omm	Number of anti-fraud and corruption prevention initiatives undertaken	implementation of public service anti-corruption and fraud prevention plans	2324.6.3.1	Number of anti-fraud and corruption prevention initiatives undertaken	implementation of public service anti-corruption and fraud prevention plans	R50 000.00	Opex	0	1
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To streamline special programs by ensuring functionality of all special programmes structures	omm	Number of SPU strategy programs implemented	implement the approved special programmes strategy	2324.6.5.4	Number of SPU strategy programs implemented	implement the approved special programmes strategy		Opex	3	3
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To Promote Public Accountability	omm	Number of Municipal Public Accounts Meetings held	Convene mpac meetings. Only legislate meetings will be measured (1 per Quarter)	2324.6.6.1	Number of Municipal Public Accounts Meetings held	Convene mpac meetings. Only legislate meetings will be measured (1 per Quarter)	R50 000.00	Opex	4	4
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve community participation in the affairs of the municipality	omm	Number of public participation strategy programmes implemented	The programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x	2324.6.7.4	Number of public participation strategy programmes implemented	The programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x	R100 000.00	Opex	5	5

				2 (one in June and other in December) reported in q1 and q2 -mrm (moral regeneration movement) - woman caucus - war rooms (these take place throughout the year)			2 (one in June and other in December) reported in q1 and q2 -mrm (moral regeneration movement) - woman caucus - war rooms (these take place throughout the year)				
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To provide Human Resources Support to all Directorates in the Municipality	corporate services	Number of reports on implementation of Human Resource Policy Programmes	report on hr related activities (recruitment, jd writing ee)	2324.5.1.1	Number of reports on implementation of Human Resource Policy Programmes	report on hr related activities (recruitment, jd writing ee)	R0	Opex	1	3
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To provide appropriate Human Resource to support all Directorates in the Municipality	corporate services	Number of Local Labour Forum Meetings convened	convene llf meetings	2324.5.1.2	Number of Local Labour Forum Meetings convened	convene llf meetings	R0	Opex	7	4

KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To improve institutional ict capacity	corporate services	Number of ICT Projects implemented	q4- establish ict disaster recovery site r1,200,000; Cradock server room upgrade (installation of biometric system, fire detector and fire supressors) for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement plan	2324.5.2.5	Number of ICT Projects implemented	q4- establish ict disaster recovery site r1,200,000; Cradock server room upgrade (installation of biometric system, fire detector and fire supressors) for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement plan	R2 500 000	Capex	2	4
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To ensure knowledge dissemination and compliance with occupational health and safety regulations	corporate services	Number of occupational health and safety policy programmes implemented (PPE Provision, Medical	q1 – inspections (e.g. physical, chemical biological) targeting technical service this is to catch up from prior	2324.5.4.1	Number of occupational health and safety policy programmes implemented (PPE Provision, Medical	q1 – inspections (e.g. physical, chemical biological) targeting technical service this is to catch up from prior			1	3

			Screening, Health and Safety Inspections)	year which was missed in q3 q2 – issuing of ppe – technical, community, iped, q4- medical screening for waste and electrical department section		Screening, Health and Safety Inspections)	year which was missed in q3 q2 – issuing of ppe – technical, community, iped, q4- medical screening for waste and electrical department section				
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To create work environment in which employees are adequately informed and educated on their well-being	corporate services	Number of employee assistance policy programmes implemented	report on the programmes on staff psychosocial support (substance abuse, wellness (psychological, socio-economic & physical workshop)	2324.5.5.3	Number of employee assistance policy programmes implemented	report on the programmes on staff psychosocial support (substance abuse, wellness (psychological, socio-economic & physical workshop)		Opex	2	2
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	institutional development	corporate services	number of officials and councillors trained as per the approved workplace skills plan	training based on skills audit	2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills audit	R1,200,000	Opex	60	40
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To ensure effective performance management	omm	Number of formal performance evaluations for	valuations for section 56 and 57 manager performance	2324.6.4.1	Number of formal performance evaluations for	valuations for section 56 and 57 manager performance	R100 000.00	Contracted Services	2	2

			section 56/57 conducted			section 56/57 conducted					
KPA 4: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	To ensure effective performance management	omm	Number of institutional strategic documents developed and submitted to council for approval	develop 1 idp and 1 sdbip, submit to council for approval as legislated	2324.6.5.3	Number of institutional strategic documents developed and submitted to council for approval	develop 1 idp and 1 sdbip, submit to council for approval as legislated	R100 000.00	Contracted Services	2	2
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper expenditure management in compliance with legislation	bto	percentage of creditors paid within 30 days	Payment of creditors within 30 days. age analysis from system and submitted invoices	2324.1.1.1	percentage of creditors paid within 30 days	Payment of creditors within 30 days. age analysis from system and submitted invoices				100
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To increase the amount of revenue collected annually	bto	Percentage monthly collection rate (Opening balance + billed revenue-closing balance)/billed revenue)x100	% monthly collection rate (opening balance + billed revenue-closing balance)/billed revenue)x100	2324.1.2.4	Percentage monthly collection rate (Opening balance + billed revenue-closing balance)/billed revenue)x100	% monthly collection rate (opening balance + billed revenue-closing balance)/billed revenue)x100			80	80
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper supply chain protocols in compliance with the MFMA legislation	bto	Number of SCM reports on the implementation of Supply Chain Management Policy submitted to Council	measurement – the submission that was made for previous quarter to council and the resolution	2324.1.3.4	Number of SCM reports on the implementation of Supply Chain Management Policy submitted to Council	measurement – the submission that was made for previous quarter to council and the resolution	R0	Opex	4	4

KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper supply chain protocols in compliance with the MFMA legislation	bto	Number of Procurement Plans submitted to council for approval	the procurement plan submitted to council and the resolution	2324.1.3.5	Number of Procurement Plans submitted to council for approval	the procurement plan submitted to council and the resolution	R0	Opex	2	2
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To improve compliance and adherence to legislation	bto	Number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52(d) reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report per quarter fixed asset register in q1 covering year ended to auditor general annual financial statements for the 2022/23 fy and submit to	2324.1.4.2	Number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52(d) reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report annually in Jan fixed asset register in q1 covering year ended to auditor general annual Financial statements for the 2022/23 fy and submit to	R 8,000,000.00	Opex	12	19

				auditor general by 31 august			auditor general by 31 august				
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MUNICIPAL RESULTS

Level	Terminology	Color Code
5	Outstanding Performance	
4	Performance Slightly above Expectations	
3	Fully Effective	
2	Performance not fully effective	
1	Unacceptable Performance	

ACTUAL Q4 PERFORMANCE FOR ORGANIZATION

The above table is used to rate the level of Performance firstly per kpi and then an avrage per Key Performance Indicator.

Percentage Calculations is done as follows:

- Since Level 3 is Fully effective, it shall serve the basis
- Achievements that are below 2/3 of performance are assigned to Level 1, which will hold a performance of 1/3 which is 33.33% per KPI
- Achievements that are below 3/3 but greater or equal to 2/3 of performance are assigned to Level 2, which will hold a performance of 2/3 which is 66.67% per KPI
- Achievements that are below 4/3 but greater or equal to 3/3 of performance are assigned to Level 3, which will hold a performance of 3/3 which is 100% per KPI
- Achievements that are below to 5/3 but greater or equal to 4/3 of performance are assigned to Level 4, which will hold a performance of 4/3 which is 133.33% per KPI

- Achievements that are equal to or greater than 5/3 of performance are assigned Level 5, which will hold a performance of 5/3 which is 166.67% per KPI. Level 5 is the maximum level that can be claimed for achievement

The results were as below

Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
41	35	2.9	2	performance not fully effective	96.75	

ACTUAL Q4 PERFORMANCE FOR KPAS

KPA Performance

KPA	Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Basic Service Delivery	17	15	2.82	2	performance not fully effective	94.12	
Financial Management	4	3	2.75	2	performance not fully effective	91.67	
Good Governance and Public Participation	9	9	3.22	3	performance fully effective	107.41	
Institution Development and Transformation	7	5	2.86	2	performance not fully effective	95.24	
Local Economic Development	4	3	2.75	2	performance not fully effective	91.67	

KPA Basic Service Delivery

KPA_Basic_Service_delivery

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	2324.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	measurement the submission that was made for previous quarter to council and the resolution	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	2324.1.3.5	number of the procurement plans submitted to council for approval	the procurement plan submitted to council and the resolution	2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to provide support to indigent beneficiaries in line with the indigent policy	2324.1.4.8	number of revisions to the indigent register	each revision to the indigent register will require a summary report of the detailed register showing what is revised, the processes and public consultations that were undertaken	4	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to promote a clean and safe environment	2324.2.1.2	number of solid waste programmes implemented	Measurement shall be the activities 1.refuse removal from streets household /business/i	4	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				industry refuse 2. street cleaning/cleansing conducted on a weekly basis												
basic service delivery	to promote a clean and safe environment	2324.2.12.1	number of waste management machines purchased	purchase of compact tr	10	1	1	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to improve literacy levels	2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	reading poetry writing spelling bee puzzles boards, cross words debates, book discussions	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to contribute in community safety programmes within the municipal area	2324.2.5.3	number of law enforcement fines issued	Do law enforcement. Identify problem areas. Operational plans. warrants of are	1720	1443	2003	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	560	... .. The performance is event driven and very little control on the side of the traffic department	... ..	... ..
basic service delivery	to promote a clean and safe environment	2324.2.5.5	number of vehicle testing stations purchased		0	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder. However based on market research, the response was above the RFQ threshold	Will result in an increase in unsafe vehicles on the road.	The tender will be re advertised in the first quarter of 2024 2025 financial year
basic service	to promote a clean	2324.2.7.8	number of environmental	environmental awareness	8	12	14	3	performance fully effective	100	2023-07-01	2024-06-30	2	... .. We over performed	... ..	... ..

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
delivery	and safe environment		management campaigns conducted	campaigns refuse and cultivation of plants conducted for community and school										because we had unplanned events that was brought to Community services by CHDM and DEDEAT on schools and at Middelburg landfill sites. And another event for Cradock from CHDM and DEDEAT 18th April 2024,Carinus Primary School, Cradock and 25th June 2024 Lusaka Community Hall, Middelburg		

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.1	number of actions undertaken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity loss	4	10	10	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.8	number of street lights retrofitted	replacement of hps bulbs with led bulbs in the following areas, Cradock Middelburg	312	377	463	3	performance fully effective	100	2023-10-01	2024-06-30	86	... The contractor was appointed late in December for the duration of 6 months ending in June. The contractor started working in 3rd quarter and performed well, they had to	...	...

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														accelerate performance in fourth quarter so that we comply with the funder as the project was meant to be completed in June 2024		
basic service delivery	to ensure effective planning and maintenance of municipal infrastructure	2324.3.3.1	number of infrastructure maintenance plans upgraded		1	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal	2324.3.4.4	number of meters of road infrastructure paved	1. Paving of joko street, phase 2 ward 9, 2. Midros access road,	600	1500	1718	3	performance fully effective	100	2024-04-01	2024-06-30	218	The target for the financial year was 1500m.The contractor performed well and		

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	infrastructure			phase 2 revier weg in ward 7 8, 3.chris hani street, phase 2 ward 2, 4. Michausda l internal roads and storm water control, phase 1. Ward 4. 5. paving of Raymond mhlaba street, by definition paving can include tar, interlocking blocks and concrete surface										there were no disruptions that delayed the project, this resulted in the achievement of 1700m		
basic service	to ensure effective constructi	2324.3.4.6	number of highmast	high mast lights	25	4	4	3	performance fully effective	100	2024-04-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
delivery	on and maintenance of municipal infrastructure		lights erected	erected rosem												
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.7	percentage expenditure on migration funds	percentage expenditure on migration funding	100	100	100	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.8	number of facilities refurbished	refurbishment of dilapidated Cradock sports facility	1	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The non-performance is due to us having some challenges in getting a specialized sub-contractor for the re-topping of the athletic synthetic track. All respondent	Facilities that are not refurbished may not meet current safety standards or requirements, potentially leading to	The contractor managed to obtain a suitable sub-contractor and the project is planned for completion at the end of the 1st

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.9	number of meters of streets rehabilitated	The kpi measures the number of meters of streets of resealed or rehabilitated. The following streets cawood and sprigg street are consider	0	1500	1500	3	performance fully effective	100	2023-07-01	2024-06-30	0	service providers could not submit their references	compliance issues and safety concerns	quarter 30 September 2024

Id	Project description	Project - completion status / Progress	Challenges	Remedies (When will this be completed)
1	Design of Roads in Cradock	Completed		
2	Construction of Cattle Custom Feed	Incomplete	Budget constraints	Secure funding
3	Design of MV and LV Distribution Network Rosemead Phase 2(Capotex)	complete	The contractor cash flow problems affected the progress of the project	complete
4	PAVING OF MIDROS ACCESS RIVER ROAD IN MIDDELBURG	complete	The project encountered some delays due to late payments by IYM	complete
5	PAVING OF CHRIS HANI & EKUTHULENI STREET	Incomplete	The project started late due to community protests regarding labour issues	To be completed in 2024
6	Supervision and monitoring of EEDSM Project	Completed		

7	Design. Supervision. monitoring and Supervision INEP	Incomplete	No current struggles / delays, new project	To be completed in 2024
8	Design. Supervision. monitoring and Supervision INEP	Incomplete	No current struggles / delays, new project	To be completed in 2024, ongoing
9	Upgrading of Cradock Sport Field	Incomplete	No current struggles / delays, new project	
10	Paving of Reymond Mhlaba	Incomplete	No current struggles / delays, new project	
11	Paving of Michausdal Internal Route (Steenbok, Takbok and Springbok)	Incomplete	No current struggles / delays, new project	
12	Installation of High Mast Lights in Rosemead	complete	No current struggles / delays, new project	complete

KPA: Financial Viability

KPA_Financial_Viability

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
financial viability and management	to implement proper expenditure management in compliance with legislation	2324.1.1.1	percentage of creditors paid within 30 days	Payment of creditors within 30 days. age-analysis from system and submitted invoice	0	100	68.75	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-31.25	... ... The municipality is facing financial constraints, due to low revenue collection	... ... Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	... ... The municipality has a developed a revenue enhancement strategy to be implemented in 2024/25 in the first Quarter. IYM has developed payment schedule in Q1 24/25 that prioritizes invoices based on due dates and available cash. Submit the payment

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
																schedule to the CFO to prioritize all payments not made within 30 days
financial viability and management	to increase the amount of revenue collected annually	2324.1.2.4	percentage monthly collection rate	percentage monthly collection rate opening balance plus billed revenue-closing balance or billed revenue	80	80	100	3	performance fully effective	100	2023-07-01	2024-06-30	20	... .. We over performed due to effective collection campaigns and strategies, such as reminder emails, calls, and special collection initiatives, has improve collection rates. Policy roadshows were	... ..	... ..

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														conducted with all wards and Debt incentive policy notices were issued		
financial viability and management	to improve compliance and adherence to legislation	2324.1.4.2	number of financial reports submitted	submission of 571 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52d reports to council for approval 1 per quarter section 72 reports submitted to council for	12	19	19	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objectiv e	KpiCo de	KPI Descripti on	Activities	Baseli ne	Performa nce Target	Achieved Performa nce	Ranki ng	Ranking Description	Ranking Percentage	Star t Dat e	End Date	Variance	Variance Reason	Variance Impact	Remedies
				approval 1 report per quarter fixed asset register in q1 covering year ended to auditor general annual financial statements for the 2022/23 fy and submit to auditor general by 31 Aug												
financial viability and manage ment	to improve complan ce and adheren ce to legislatio n	2324.1 .4.7	percenta ge of submissi on of informati on requeste d by ag	Address auditor general findings and rfis. for 20222023 au	100	100	100	3	performance fully effective	100	202 3- 10- 01	2024-06-30	0			

KPA: Good Governance & Public Participation

KPA_Good_Governance

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.1.4.9	number of revisions to the audit action plan	audit action plan which is monitored and revised and reported on per quart	0	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure an effective municipal governance in line with applicable legislation	2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentation relating to new/ amended policies strategies, and byl	20	20	51	5	outstanding performance	166.67	2024-04-01	2024-06-30	31	Over performance was due to streamlined processes and focused efforts which lead to the efficient development and review of numerous policies and strategies		

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.6.1.1	number of internal audit programmes executed by financial year end	implementation various audit programmes by year	18	18	18	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.2.2	number of strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quarter	0	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	implementation of public service anti-corruption and fraud prevention plan	0	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	2324.6.4.1	number of formal performance		2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
participation			evaluations for section 56/57 conducted													
good governance and public participation	to ensure effective performance management	2324.6.5.3	number of institutional strategic documents developed and submitted to council for approval		2	2	2	3	performance fully effective	100	2024-04-01	2024-06-30	0			
good governance and public participation	to promote public accountability	2324.6.6.1	number of municipal public accounts meetings held	convene mpac meetings. only legislated meetings will be measured 1 per quar	4	4	5	3	performance fully effective	100	2023-07-01	2024-06-30	1	... This is to confirm that the Municipal Public Accounts Committee conducted five meetings for the financial year of 203/24.This indicates the over performance by MPAC,	... ..	... ..

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														because the committees first meeting in quarter three was addressing the issues pertaining oversight report on the annual report and the second one was with the provincial treasury to address the reduction of the UIFWE in the municipality		
good governance and public participation	to improve community participation in the affairs of the municipality	2324.6.7.4	number of public participation strategy programmes implemented	The programmes are as directed by the executive mayor and the speaker. the reports	5	5	5	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				should be signed by the office bearer of the mm. the 5 programmes are: - initiation x 2 one in June and other in December reported in q1 and q2 -mrm moral regeneration movement - woman caucus -war rooms these take place through the y												

KPA: Institutional Arrangements

KPA_Institutional_Development

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
institutional development and transformation	to provide human resources support to all directorates in the municipality	2324.5.1.1	number of reports on implementation of human resource policy programmes	report on hr related activities recruitment , jd writing	1	3	3	3	performance fully effective	100	2023-10-01	2024-06-30	0			
institutional development and transformation	to provide appropriate human resource to support all directorates in the municipality	2324.5.1.2	number of local labour forum meetings convened	convene llf meetings	7	4	3	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-1	... .. The Local labour forum had scheduled one meeting for the quarter but due to many items which had to	... .. there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace conditions	... .. in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
institutional development and transformation	to improve institutional ict capacity	2324.52.5	number of ict projects implemented	q4- establish ict disaster recovery site r1,200,000; Cradock server room upgrade installation of bio metric system, fire detector and fire suppressors for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000	2	4	0	1	unacceptable performance	33.33	2023-10-01	2024-06-30	-4	attend to, it ended not seating the meeting A problem with the specification that the ICT office prepared is the reason for the delay. The specification for all projects was submitted to SCM on June 10,2024	, wage disputes, or employment policies ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				note could not be completed in 2022 2023 as was not in procurement pl												
institutional development and transformation	to ensure knowledge dissemination and compliance with occupational health and safety regulations	2324.54.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	q1 inspections e.g. physical, chemical biological targeting technical service this is to catch up from prior year which was missed in q3 q2 issuing of ppe technical, community, iped, q4 medical screening for waste and	1	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				electrical department section												
institutional development and transformation	to create work environment in which employees are adequately informed and educated on their well-being	2324.5.3	number of employee assistance policy programmes implemented	report on the programme's on staff psychosocial support substance abuse, wellness psychological, socio-economic physical works	2	2	2	3	performance fully effective	100	2023-10-01	2024-06-30	0			
institutional development and transformation	institutional development	2324.5.2	number of officials and councillors trained as per the approved workplace skills plan	training based on the skills au	60	40	139	5	outstanding performance	166.67	2023-07-01	2024-06-30	99	... the over performance is due to the fact that 70 of our general workers were given a bursary for their	...	...

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														training with Konwaba Training Institute		
institutional development and transformation	to streamline special programs by ensuring functionality of all special programmes structures	2324.65.4	number of special programmes strategy implemented	Implement the approved special programme's strategy. implement the approved special programmes strat	3	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA: Local Economic Development

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to improve local economic development	2324.2.10.1	number of work opportunities created through public employment programmes	appoint epwp workers to be deployed in technical community and iped directorate	224	224	288	3	performance fully effective	100	2023-07-01	2024-06-30	64	The over performance is due to the EPWP graduates, their contracts are still continuing until the end of March 2024		
local economic development	to support the establishment of smmes	2324.4.3.5	number of smme capacitaton training workshops / seminars conducted	conduct training workshops and seminars for sm	5	8	12	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	4	... ... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ...	... ...
local economic	to support	2324.4.3.7	number of business	approve business	20	25	0	1	unacceptable performance	33.33	2023-07-01	2024-06-30	-25	The non-performance	Operating without	IYM will draw up a

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
development	the establishment of smmes		licenses approved	licenses for operating business										was due to Noncompliance of establishments with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and co operating departments within IYM and other organs of state e.g Home Affairs and CHDM health inspectors	the necessary licenses can result in significant fines and penalties imposed by regulator authorities.	legal document that will be distributed to all business by the end of August 2024
local economic development	to implement tourism and heritage management plan	2324.4.4.7	number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

DEPARTMENT CUMULATIVE PERFORMANCE FOR THE Q4 YEAR

Department	Planned KPIS	Achieved KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Budget and Treasury	8	7	2.88	2	performance not fully effective	95.83	
Community Services	7	6	2.86	2	performance not fully effective	95.24	
Technical Services	8	7	2.75	2	performance not fully effective	91.67	
IPED	3	2	2.67	2	performance not fully effective	88.89	
Corporate Services	7	5	3.14	3	performance fully effective	104.76	
Office of the Municipal Manager	8	8	3	3	performance fully effective	100	

KPI PERFORMANCE - CUMULATIVE

KPI PERFORMANCE - Budget and Treasury Department
KPI_Budget_and_Treasury

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
financial viability and management	to implement proper expenditure management in compliance with legislation	2324.1.1	percentage of creditors paid within 30 days	Payment of creditors within 30 days. age-analysis from system and submitted invoice	0	100	68.75	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-31.25	The municipality is facing financial constraints, due to low revenue collection	Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	The municipality has developed a revenue enhancement strategy to be implemented in 2024/25 in the first Quarter. IYM has developed payment schedule in Q1 24/25 that prioritizes invoices based on due dates and available cash. Submit the payment schedule

KPA	Dev Objective	Kpi Code	KPI Description	Activiti es	Bas eline	Perfor manc e Target	Achie ved Perfor manc e	Ran kin g	Ranking Descripti on	Ranking Percenta ge	Star t Dat e	End Date	Variance	Varia nce Reaso n	Varia nce Impa ct	Remed ies
																le to the CFO to prioriti ze all payme nts not made within 30 days
finan cial viabil ity and mana gemen t	to increa se the amoun t of reven ue collec ted annua lly	232 4.1. 2.4	percent age monthl y collecti on rate opening balance plus billed revenue -closing balance or billed revenue		80	80	100	3	perform ance fully effective	100	202 3- 07- 01	2024 -06- 30	20	... ... We over perfo rmed due to effect ive collec tion camp aigns and strate gies, such as remin der email s, calls, and speci al collec tion initiat ives, has impro ve collec tion rates. Policy roads	............	......

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														how were conducted with all wards and Debt incentive policy notices were issued		
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	232 4.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	measurement the submission that was made for previous quarter to council and the resolution	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to implement proper supply chain protocols in compliance with the	232 4.1.3.5	number of the procurement plans submitted to council for approval	the procurement plan submitted to council and the resolution	2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	mfma legislation															
financial viability and management	to improve compliance and adherence to legislation	232 4.1. 4.2	number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52d reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report per quarter fixed asset register in q1	12	19	19	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				covering year ended to auditor general annual financial statements for the 2022/23 fy and submit to auditor general by 31 Aug												
financial viability and management	to improve compliance and adherence to legislation	232 4.1. 4.7	percentage of submission of information requested by ag	Address auditor general findings and rfs. for 20222023 au	100	100	100	3	performance fully effective	100	2023-10-01	2024-06-30	0			
basic service delivery	to provide support to indigent beneficiaries in line with the indigent policy	232 4.1. 4.8	number of revisions to the indigent register	each revision to the indigent register will require a summary report of the detailed register showing what is revised,	4	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				the processes and public consultations that were undertaken												
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	232 4.1.4.9	number of revisions to the audit action plan	audit action plan which is monitored and revised and reported on per quarter	0	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPI PERFORMANCE – Community Services Department
Performance_Community_Services

KPA	Dev Objective	KpiC code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to improve local economic development	232 4.2. 10.1	number of work opportunities created through public employment programmes	appoint epwp workers to be deployed in technical community and iped direct orat	224	224	288	3	performance fully effective	100	2023-07-01	2024-06-30	64	The over performance is due to the EPWP graduates, their contracts are still continuing until the end of March 2024		
basic service delivery	to promote a clean and safe environment	232 4.2. 1.2	number of solid waste programmes implemented	measurement shall be the activities 1.refuse removal from streets house hold/ business/industry refuse 2. street cleani	4	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to promote a clean and safe environment	232 4.2. 12.1	number of waste management machines purchased	ng/cleaning conducted on a weekly basis purchase of 1 compact tr	0	1	1	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to improve literacy levels	232 4.2. 3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	reading poetry writing spelling bee puzzles board s, cross words debates, book discussions	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to contribute in community safety programmes	232 4.2. 5.3	number of law enforcement fines issued	Do law enforcement . Identify problem areas. Opera	1720	1443	2003	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	560	... The performance is event driven and very little control on the	... ..	... ..

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	within the municipal area			tional plans. warrants of arrests										side of the traffic department		
basic service delivery	to promote a clean and safe environment	232 4.2. 5.5	number of vehicle testing stations purchased		0	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder. However based on market research, the response was above the RFQ threshold	Will result in an increase in unsafe vehicles on the road.	The tender will be re-advertised in the first quarter of 2024 2025 financial year
basic service delivery	to promote a clean and safe environment	232 4.2. 7.8	number of environmental management campaigns conducted	environmental awareness campaigns refuse and cultivation of plants conducted	8	12	14	3	performance fully effective	100	2023-07-01	2024-06-30	2	... We over performed because we had unplanned events that was	... ..	... ..

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				cted for community and school										brought to Community services by CHDM and DEDEA T on schools and at Middelburg landfill sites. And another event for Cradock from CHDM and DEDEA T 18th April 2024,C arinus Primary School, Cradock and 25th June 2024 Lusaka Community Hall, Middelburg		

KPI PERFORMANCE – Technical Services Department
Performance_Technical_Services

KP A	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to ensure provision of adequate electricity supply to iym communities	232 4.3. 2.1	number of actions taken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity loss	4	10	10	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure provision of adequate electricity supply to iym communities	232 4.3. 2.8	number of street lights retrofitted	replacement of hps bulbs with led bulbs in the following areas, Cradock and Middelburg	312	377	463	3	performance fully effective	100	2023-10-01	2024-06-30	86	... The contract or was appointed late in December for the duration of 6 months ending in June. The contract or started working in 3rd quarter and performed well, they had	...	...

KP A	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to ensure effective planning and maintenance of municipal infrastructure	232 4.3. 3.1	number of infrastructure maintenance plans upgraded		1	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0	to accelerate performance in fourth quarter so that we comply with the funder as the project was meant to be completed in June 2024		
basic service delivery	to ensure effective construction and maintenance of municipal	232 4.3. 4.4	number of meters of road infrastructure paved	1. Paving of joko street, phase 2 ward 9, 2. Midros access road, phase 2	600	1500	1718	3	performance fully effective	100	2024-04-01	2024-06-30	218	The target for the financial year was 1500m. The contractor performed well and		

KP A	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
bas ic ser	to ensur e	232 4.3. 4.6	numb er of highm	review weg in ward 7 8, 3.chris hani street, phase 2 ward 2, 4. Micha usdal intern al roads and storm water control , phase 1. Ward 4. 5. paving of Raymo nd mhlab a street, by definiti on paving can includ e tar, interlo cking blocks and concre te surfaci ng	25	4	4	3	performa nce fully effective	100	2024 -04- 01	2024 -06- 30	0	there were no disruptio ns that delayed the project, this resulted in the achieve ment of 1700m		

KP A	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
vic e deli ver y	effective construction and maintenance of municipal infrastructure		ast lights erected	erected rosem												
bas ic ser vic e deli ver y	to ensure effective construction and maintenance of municipal infrastructure	232 4.3. 4.7	percentage expenditure on mig funds	percentage expenditure on mig fundin g	100	100	100	3	performance fully effective	100	2023-07-01	2024-06-30	0			
bas ic ser vic e deli ver y	to ensure effective construction and maintenance of municipal infrastructure	232 4.3. 4.8	number of facilities refurbished	refurbishmen t of dilapid ated Cradock sports facility	1	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The non-performance is due to us having some challenges in getting a specialized sub-contract or for the re-topping of the athletic synthetic track. All respond	Facilities that are not refurbished may not meet current safety standards or for accessibility requirements, potentially leading to	The contractor managed to obtain a suitable sub-contractor and the project is planned for completion at the

KP A	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														ent service providers could not submit their references	compliance issues and safety concerns	end of the 1st quarter , 30 September 2024
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	232 4.3. 4.9	number of meters of streets resealed or rehabilitated. The following streets cawood and sprigg street are considered		0	1500	1500	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPI PERFORMANCE – IPED Department

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to support the establishment of smmes	2324.43.5	number of smme capacity training workshops/seminars conducted	conduct training workshops and seminars for sm	5	8	12	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	4	Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	....	....
local economic development	to support the establishment of smmes	2324.43.7	number of business licenses approved	approve business licenses for operating business	20	25	0	1	unacceptable performance	33.33	2023-07-01	2024-06-30	-25	The non-performance was due to Non compliance of establishment	Operating without the necessary licenses can result in significant	IYM will draw up a legal document that will be distributed to all

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														nts with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and cooperating departments within IYM and other organs of state e.g Home Affairs and CHDM health inspectors	ines and penalties imposed by regulatory authorities.	business by the end of August 2024
local economic development	to implement tourism and	2324.4.7	number of tourism awareness	awar eness camp aigns	4	4	4	3	performanc e fully	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	heritage management plan		ess campaigns conducted	focus on tourism mo					effective							

KPI PERFORMANCE – Corporate Services Department

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies	
institutional development and transformation	to provide human resources support to all direct orates in the municipality	232 4.5.1.1	number of reports on implementation of human resource policy programmes	report on hr related activities recruitment, jd writing	1	3	3	3	performance fully effective	100	2023-10-01	2024-06-30	0				
institutional development and transformation	to provide appropriate human resource support all direct orates in the municipality	232 4.5.1.2	number of local labour forum meetings convened	convene llf meeting	7	4	3	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-1	The Local labour forum had scheduled one meeting for the quarter but due to many items which it had to attend to, it ended not seating	there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace conditions, wage disput	... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice	

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														g the meeting	es, or employment policies	
institutional development and transformation	to improve institutional ICT capacity	2324.5.2.5	number of ICT projects implemented	q4-establish ICT disaster recovery site for 1,200,000; Cradock server room upgrade installation of biometric system, fire detector and fire suppressors for R500,000 ICT help desk system q4 for R300,000 and procurement of office 365 licenses for R500,000 note could not be completed in 2022	2	4	0	1	unacceptable performance	33.33	2023-10-01	2024-06-30	-4	A problem with the specification that the ICT office prepared is the reason for the delay. The specification for all projects was submitted to SCM on June 10, 2024	ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				2023 as was not in procurement pl												
institutional development and transformation	to ensure knowledge dissemination and occupational health and safety regulations	232 4.5. 4.1	number of occupational health and safety programmes implemented provision, medical screening, health and safety inspections	q1 inspections e.g. physical, chemical biological targetin technical service this is to catch up from prior year which was missed in q3 q2 issuing of ppe technical, community, iped, q4 medical screening for waste and electrical department section	1	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			
institutional development	to create work enviro	232 4.5. 5.3	number of employee	report on the programmes	2	2	2	3	performance fully effective	100	2023-10-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
nt and transf ormation	nmenn t in which empl oyees are adeq uately infor med and educa ted on their well- being		assista nce policy progra mmes imple mente d	on staff psychos ocial support substan ce abuse, wellnes s psychol ogical, socio- econo mic physical works												
good gover nance and public partici pation	to ensur e an effecti ve munic ipal gover nance in line with applic able legisla tion	232 4.5. 7.1	numbe r of policie s, strateg ies, bylaws develo ped and review ed	compila tion and submis sion of docum entatio n relating to new/ amend ed policies strategi es, and byl	20	20	51	5	outstand ing perform ance	166.6 7	2024 -04- 01	2024- 06-30	31	Over perfor manc e was due to strea mlined proces ses and focus ed effort s which lead to the efficie nt devel opme nt and revie w of nume rous polic ies and		

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														strategies		
institutional development and transformation	institutional development	2324.5.8.2	number of officials and councilors trained as per the approved workplace skills plan	training based on skills au	60	40	139	5	outstanding performance	166.67	2023-07-01	2024-06-30	99	... the over performance is due to the fact that 70 of our general workers were given a bursary for their training with Konwaba Training Institute	...	...

KPI PERFORMANCE – Municipal Managers Office
Performance_OMM

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	232 4.6. 1.1	number of internal audit programmes executed by financial year end	implementation various audit programmes by year	18	18	18	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	232 4.6. 2.2	number of strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quarter	0	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public	to ensure that the municipality	232 4.6. 3.1	number of anti-fraud and	implementation of public service	0	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
participation	operates free of anticipated risk of maladministration, fraud and corruption		corruption prevention initiatives undertaken	anti-corruption and fraud prevention plan												
good governance and public participation	to ensure effective performance management	232 4.6. 4.1	number of formal performance evaluations for section 56/57 conducted		2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	232 4.6. 5.3	number of institutional strategic documents developed and submitted to council for approval		2	2	2	3	performance fully effective	100	2024-04-01	2024-06-30	0			
institutional development	to streamline special	232 4.6. 5.4	number of special strategies	Implement the approved	3	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	Kpi Code	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
nt and transformation	progras by ensuring functionality of all special programmes structures		gy programmes implemented	ed special programmes strategy. implement the approved special programmes strat												
good governance and public participation	to promote public accountability	2324.6.6.1	number of municipal public accounts meetings held	Conven mpac meetings. only legislated meetings will be measured 1 per quar	4	4	5	3	performance fully effective	100	2023-07-01	2024-06-30	1	... This is to confirm that the Municipal Public Accounts Committee conducted five meetings for the financial year of 203/24 .This indicates the over performance by MPAC, because the committees	... ..	... ..

KPA	Dev Objecti ve	Kpi Cod e	KPI Descri ption	Activiti es	Bas elin e	Perfor manc e Target	Achie ved Perfor manc e	Ran kin g	Ranking Descripti on	Ranking Percenta ge	Star t Dat e	End Date	Varian ce	Varianc e Reason	Vari anc e Imp act	Rem edie s
														first meetin g in quarter three was addres sing the issues pertain ing oversig ht report on the annual report and the second one was with the provinc ial treasur y to addres s the reducti on of the UIFWE in the munici pality		
good gover nance and public partici pation	to improv e commu nity particip ation in the affairs of the municip ality	232 4.6. 7.4	numb er of public partici pation strate gy progr amm es imple	The progra mmes are as directe d by the executi ve mayor and the speake	5	5	5	3	perform ance fully effective	100	202 3- 07- 01	2024- 06-30	0			

KPA	Dev Objecti ve	Kpi Cod e	KPI Descri ption	Activiti es	Bas elin e	Perfor manc e Target	Achie ved Perfor manc e	Ran kin g	Ranking Descripti on	Ranking Percenta ge	Star t Dat e	End Date	Varian ce	Varianc e Reason	Vari anc e Imp act	Rem edie s
			ment ed	r. the reports should be signed by the office bearer of the mm. the 5 progra mmes are: - initiati on x 2 one in June and other in Decem ber reporte d in q1 and q2 -mrm moral regene ration movem ent - woman caucus -war rooms these take place throug h the y												

RECOMMENDATIONS ON PERFORMANCE

KPA	KpiCode	KPI Description	Activities	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies	Recommendations
financial viability and management	2324.1.1.1	percentage of creditors paid within 30 days	Payment of creditors within 30 days. age-analysis from system and submitted invoice	100	68.75	2	performance not fully effective	66.67	-31.25	The municipality is facing financial constraints, due to low revenue collection	... .. Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	... .. The municipality has a developed a revenue enhancement strategy to be implemented in 2024/25	The municipality must constantly review the revenue enhancement strategy after each implementation in 2024/25. Goals and targets must be clearly defined with stakeholders and drivers held accountable

basic service delivery	2324.2.5.3	number of law enforcement fines issued	Do law enforcement. Identify problem areas. Operational plans. warrants of arrests	1443	2003	4	performance significantly above expectations	133.33	560	... .. The performance is event driven and very little control on the side of the traffic department	... .. Improve road safety. Increased income revenue	... .. It has been suggested by members of the audit committee that this KPI is removed from the strategic objectives and rather be placed in the operational performance	This KPI is event driven. It has been suggested that it is removed in the mid term adjustment of the SDBIP of 2024 2025
basic service delivery	2324.2.5.5	number of vehicle testing stations purchased		1	0	1	unacceptable performance	33.33	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder. However based on market research, the response was above the RFQ threshold	Will result in an increase in unsafe vehicles on the road.	The tender will be re-advertised in the first quarter of 2024 2025 financial year	If the submissions remain at 1 bidder in the next bid and over the RFQ threshold, the municipality can consider it being a specialised item and follow SCM procedures to nominate a supplier
basic service delivery	2324.3.4.8	number of gym facilities refurbished	refurbishment of dilapidated Cradock sports facility	1	0	1	unacceptable performance	33.33	-1	The non-performance is due to us having some challenges in	Facilities that are not refurbished may not meet current	The contractor managed to obtain a suitable sub-	The sub-contractor should be monitored so as to make sure that the athletic

										getting a specialized subcontractor for the re-topping of the athletic synthetic track. All respondent service providers could not submit their references	safety standards or accessibility requirements, potentially leading to compliance issues and safety concerns	contractor and the project is planned for completion at the end of the 1st quarter, 30 September 2024	synthetic track is completed
local economic development	2324.4.3.5	number of smme capacitation training workshops/seminars conducted	conduct training workshops and seminars for sm	8	12	4	performance significantly above expectations	133.33	4	... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ..	... ..	Targets should be revised so that over achievement is within acceptable norms and the collaboration of other sector departments is incorporated.
local economic development	2324.4.3.7	number of business licenses approved	approve business licenses for operating business	25	0	1	unacceptable performance	33.33	-25	The non-performance was due to Noncompliance of establishments with CHDM health	Operating without the necessary licenses can result in significant fines	IYM will draw up a legal document that will be distributed to all business by the end of	The matters should be resolved urgently with CHDM. It might need to be put aside until 2025 2026 until the current

										inspector s laws and regulatio ns. Streamlin ing and improvin g turnarou nd time of applicatio ns by the section and co operating departme nts within IYM and other organs of state e.g Home Affairs and CHDM health inspector s	and penaltie s imposed by regulato ry authoriti es.	August 2024	issues are resolved
institutio nal develop ment and transfor mation	2324. 5.1.2	number of local labour forum meeting s convene d	convene llf meeting	4	3	2	perform ance not fully effective	66.67	-1	... ... The Local labour forum had schedule d one meeting for the quarter but due to many items which it had to attend to, it ended not seating the meeting	... ... there may be fewer opportu nities to address and resolve labor- related issues and conflicts, such as workpla ce conditio ns, wage disputes, or employ	... ... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice	The LLF should sit frequently and commit to the suggested dates

											ment policies		
institutional development and transformation	2324.5.2.5	number of ict projects implemented	q4-establish ict disaster recovery site r1,200,000; Cradock server room upgrade installation of biometric system, fire detector and fire suppressors for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement pl	4	0	1	unacceptable performance	33.33	-4	A problem with the specification that the ICT office prepared is the reason for the delay. The specification for all projects was submitted to SCM on June 10,2024	ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025	The ict objects have from year to year stalled. An experienced service provider should be appointed in order to draw up specifications in line with current trends.
good governance and public participation	2324.5.7.1	number of policies, strategies, bylaws develop	compilation and submission of documentation relating	20	51	5	outstanding performance	166.67	31	Over performance was due to streamlined processes			Targets should be revised to properly plan for the

		ed and reviewe d	to new/ amended policies strategies , and byl						and focused efforts which lead to the efficient developm ent and review of numerou s policies and strategies			realistic target	
institutio nal develop ment and transfor mation	2324. 5.8.2	number of officials and councill ors trained as per the approve d workpla ce skills plan	training based on skills au	40	139	5	outstan ding perform ance	166.67	99	... the over performa nce is due to the fact that 70 of our general workers were given a bursary for their training with Konwaba Training Institute	Targets should be revised to properly plan for the realistic target

PERFORMANCE RATING OF CONSULTANTS

CONTRACT NUMBER	RESPONSIBILITY	START & END DATE	TYPE OF SERVICE	QUALITY OF THE SERVICE	[2022 2023 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2022 2023 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	MEASURES TO IMPROVE PERFORMANCE	RATED BY
IYM01/07/2022-2T	Qumisa Shoyisa	2 Dec 2022-30 Jul 2024	Monitor the rehabilitation of landfill sites	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Majiba
IYM04/04/2021T	Responsible Ngoveni	1 Nov 2021-30 Oct 2024	Operation and maintenance of Middelburg and Cradock landfill sites	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Majiba
	William Makasa	Aug 2020 Aug 2023 May 2024	Performance Management	Good	4- good	Yes	Good	Yes	yes	N/A	B Serobele
	Mr Sithole	30 Jul 2019-30 Jul 2024	Supply of PPE	Fair	Fair	Yes	Good	Yes	Yes	N/A	S. Notwal a
	James Mapute	1 May 2023-30 April 2024	Business skills for unemployed youth	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Notwal a
IYM01/02/2022T	Thato Moloto	22 Jul 2022-21 Jul 2025	Supply, delivery, offloading, install and maintenance of telecommunications solution.	Good	4- good	Yes	Good	Yes	yes	N/A	S Myeni
IYM05/04/2021IT	Abraham Monare	31/05/2021-30 May 2024	Supply and delivery of data backup and recovery	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
IYM01/11/2022T	Deby Styler	15 Dec 2022-15 Dec 2025	Lease of printers	Fair	4- good	No	Good	Yes	yes	N/A	S Myeni

CONTRACT NUMBER	RESPONSIBILITY	START & END DATE	TYPE OF SERVICE	QUALITY OF THE SERVICE	[2022 2023 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2022 2023 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	MEASURES TO IMPROVE POOR PERFORMANCE	RATED BY
IYM03/04/2021T	Jacob Thepa	23 Sept 2021-30 Sept 2024	Supply and delivery of network infrastructure	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
IYM04/04/2021T	Abraham Monare	08 Oct 2021-31 Oct 2024	Supply,delivery,offload,pi stel and maintenance service	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
	Mr Ranta	17 Aug 2022-30 Sept 2023	Resealing of IYM roads in Cradock Phase 3	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Noman dela
	Mr Machan za	03 Mar 2021-30 Jun 2023	Installation of High Mast in Lusaka and Midros	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Noman dela
	Mr Tewo	29 Jan 2020-12 Dec 2022	Construction of Lingelihle community hall	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelemb e
	Mr Saleni	16 Oct 2021-03 Oct 2023	Upgrading of municipal farm commonages	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Makwa be
	Mr Muofhe	08 Aug 2022-31 Oct 2023	Paving of Chris Hani and Ekuthuleni Ward 2	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelemb e
	Mrs Rachel	08 Aug 2022-31 Oct 2023	Paving of Midros Access Road	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelemb e
	Mr Z.D Ranta	08 Aug 2022-19 Apr 2023	Paving of Joko Avenue	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelemb e
	Lwarenc e Mkhize	01 Jul 2022-30 Jun 2023	EEDSM Streetlight retrofit	Fair	2 -Poor	No	Fair	Yes	yes	N/A	L. Kelemb e

CONTRACT NUMBER	RESPONSIBILITY	START & END DATE	TYPE OF SERVICE	QUALITY OF THE SERVICE	[2022 2023 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2022 2023 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	MEASURES TO IMPROVE PERFORMANCE	RATED BY
	Siyabonga Mba	01 Jul 2022- 30 Jun 2023	EEDSM Streetlight retrofit	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe

RESULTS

Level Terminology Color Code

5- Very Good

4- Good

3- Fair

2 -Poor

1- Very Poor

EXPENDITURE ON KPIS

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.1.1.1	percentage of creditors paid within 30 days	to implement proper expenditure management in compliance with legislation	10	financial viability and management	N/A						
2324.1.2.4	percentage monthly collection rate	to increase the amount of revenue collected annually	10	financial viability and management	N/A						
2324.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	to implement proper supply chain protocols in compliance with the mfma legislation	10	financial viability and management	N/A						
2324.1.3.5	number of procurement plans submitted to council for approval	to implement proper supply chain protocols in compliance with the mfma legislation	10	financial viability and management	N/A						
2324.1.4.2	number of financial reports submitted	to improve compliance and adherence to legislation	10	financial viability and management	N/A						
2324.1.4.7	percentage submission of	to improve compliance	10	good governance and	N/A						

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
	information requested by agencies and adherence to legislation			public participation							
2324.1.4.8	number of revisions to the indigent register	to provide support to indigent beneficiaries in line with the indigent policy	10	basic service delivery	2,619,000		515,027	345,058	826,792	873,000	1,686,877
2324.1.4.9	number of revisions to the audit action plan	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	10	basic service delivery	-						
2324.2.1.2	number of solid waste programmes implemented	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.2.10.1	number of work opportunities created through public employment programmes	to improve local economic development	10	local economic development	2,050,000	1,526,805	523,195			1,025,000	2,050,000
2324.2.12.1	number of waste management machineries purchased	to promote a clean and safe environment	10	basic service delivery	5,000,000			4,821,529			4,821,529
2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and	to improve literacy levels	10	basic service delivery	80,000	23,820	32,380	116,490	18,150	20,000	190,840

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
	high school scholars										
2324.2.5.3	number of law enforcement fines issued	to contribute in community safety programmes within the municipal area	10	basic service delivery	181,112	99,650	7,000	11,600	3,712,400	45,278	3,830,650
2324.2.5.5	number of vehicle testing stations purchased	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.2.7.8	number of environmental management campaigns conducted	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.3.2.1	number of actions undertaken to reduce electricity losses	to ensure provision of adequate electricity supply to iym communities	10	basic service delivery	N/A						
2324.3.2.8	number of street lights retrofitted	to ensure provision of adequate electricity supply to iym communities	10	basic service delivery	5,000,000	-	3,411,541	-	1,588,459		
2324.3.3.1	number of infrastructure maintenance plans upgraded	to ensure effective planning and maintenance of municipal infrastructure	10	basic service delivery	2,824,923	1,030,692	1,754,927	1,218,850	-		

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.3.4.4	number of meters of road infrastructure paved	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery	24,658,000	8,864,160	8,011,546	3,490,187	4,292,107		24,658,000
2324.3.4.6	number of highmast lights erected	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery							
2324.3.4.7	percentage expenditure on mig funds	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery	24,658,000	8,864,160	8,011,546	3,490,187	4,292,107	6,164,500	24,658,000
2324.3.4.8	number of iym facilities refurbished	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery							
2324.3.4.9	number of meters of Cradock streets rehabilitated	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery							
2324.4.3.5	number of smme capacitation training workshops/seminars conducted	to support the establishment of smmes	10	local economic development	32,916	8,000			16,800	16,458	24,800

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.4.3.7	number of business licenses approved	to support the establishment of smmes	10	local economic development	N/A						
2324.4.4.7	number of tourism awareness campaigns conducted	to implement tourism and heritage management plan	10	local economic development	130,287	27,000	177,680			65,144	204,680
2324.5.1.1	number of reports on implementation of human resource policy programmes	to provide human resources support to all directorates in the municipality	10	institutional development and transformation	N/A						
2324.5.1.2	number of local labour forum meetings convened	to provide appropriate human resource support to all directorates in the municipality	10	institutional development and transformation	N/A						
2324.5.2.5	number of ICT projects implemented	to improve institutional ICT capacity	10	institutional development and transformation							
2324.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	to ensure knowledge dissemination and compliance with occupational health and safety regulations	10	institutional development and transformation	676,792	1,055,329	5,265	1,095,166	1,075,358	225,597	3,231,118

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.5.5.3	number of employee assistance policy programmes implemented	to create work environment in which employees are adequately informed and educated on their well-being	10	institutional development and transformation	N/A						
2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	to ensure an effective municipal governance in line with applicable legislation	10	good governance and public participation	N/A						
2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	institutional development	10	institutional development and transformation	116,000				116,000		
2324.6.1.1	number of internal audit programmes executed by financial year end	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	10	good governance and public participation	152,100	151,476	141,600	144,123	268,817	38,025	706,016
2324.6.2.2	number of strategic and operational risk registers reviewed and monitored	to ensure that the municipality operates free of anticipate	10	good governance and public participation	100,000						

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
		d risk of maladministration, fraud and corruption									
2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	to ensure that the municipal authority operates free of anticipated risk of maladministration, fraud and corruption	10	good governance and public participation	N/A						
2324.6.4.1	number of formal performance evaluations for section 56/57 conducted	to ensure effective performance management	10	institutional development and transformation	1,994,088		1,285,274	1,621,215	456,477	997,044	3,362,967
2324.6.5.3	number of institutional strategic documents developed and submitted for council approval	to ensure effective performance management for	10	institutional development and transformation	3,000,000	2,467,080		1 500 600			2,467,080
2324.6.5.4	number of strategy programs implemented	to streamline special programs by ensuring functionality of all special programmes structures	10	good governance and public participation	1,005,500	746,462	1,158,927	52,389	1,040,077	335,167	2,997,855
2324.6.6.1	number of municipal public accounts meetings held	to promote public accountability	10	good governance and public participation	50,000	15,800		34,450	113,349	16,666	163,599

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.6.7.4	number of public participation strategy programmes implemented	to improve community participation in the affairs of the municipality	10	good governance and public participation	557,706	225,522	430,000	100,000		185,902	755,522

FINAL ANNUAL PERFORMANCE REPORT FOR FINANCIAL YEAR 2023-2024

INXUBA YE THEMBA MUNICIPALITY



[Report Version 202408311900]

TABLE OF CONTENTS

Table of Contents

TABLE OF CONTENTS.....	2
ABBREVIATIONS.....	4
MAYOR'S FOREWORD.....	5
Vision:.....	5
Public Participation:.....	6
Future Actions:.....	6
New Challenges.....	6
COGTA KPIS.....	8
Conclusion:.....	8
FOREWORD BY MUNICIPAL MANAGER.....	9
INTRODUCTION.....	11
Strategies Phase.....	11
The Municipal Vision.....	11
The development Objectives.....	11
The Development Strategies.....	11
Project Identification.....	12
Project Phase.....	12
Integration Phase.....	12
Approval Phase.....	12
Process Plan.....	13
BACKGROUND DATA INFORMATION.....	15
Water.....	16
Sewerage.....	16
Electricity.....	16
Waste Management.....	16
Roads.....	17
Housing.....	17
Land.....	18
Municipal Demographics.....	19
Income per Household.....	20
Social Development Indicators.....	21
Key Performance Areas.....	23
2.2 ALIGNMENT OF IYM IDP WITH NATIONAL PLANS.....	24
PERFORMANCE REPORT FOR ANNUAL YEAR.....	25
INTRODUCTION.....	25
TARGETS.....	26
MUNICIPAL RESULTS.....	42
ACTUAL ANNUAL PERFORMANCE FOR ORGANIZATION.....	42
ACTUAL ANNUAL PERFORMANCE FOR KPAS.....	43
KPA Basic Service Delivery.....	44

TABLE OF CONTENTS

KPA: Financial Viability.....	49
KPA: Good Governance & Public Participation.....	51
KPA: Institutional Arrangements.....	53
KPA: Local Economic Development.....	55
DEPARTMENT CUMULATIVE PERFORMANCE FOR THE ANNUAL YEAR.....	56
KPI PERFORMANCE - CUMULATIVE.....	57
KPI PERFORMANCE - Budget and Treasury Department.....	58
KPI PERFORMANCE – Community Services Department.....	60
KPI PERFORMANCE – Technical Services Department.....	62
KPI PERFORMANCE – IPED Department.....	64
KPI PERFORMANCE – Corporate Services Department.....	65
KPI PERFORMANCE – Municipal Managers Office.....	67
RECOMMENDATIONS ON PERFORMANCE.....	69
PERFORMANCE RATING OF CONSULTANTS.....	72
FINANCIAL PERFORMANCE.....	74
Report on Work In Progress.....	74
EXPENDITURE ON KPIS.....	75
Statement of Operating Revenue & Expenditure at the end of Quarter 4 as at 30 June 2024	79
GRANTS FUNDED PROJECTS.....	81
DIFFERENCES IN INFORMATION BETWEEN PRIOR YEAR AND CURRENT.....	84
COGTA KPIS.....	95

ABBREVIATIONS

The following abbreviations are used in this document

AE	Actual Expenditure
AP	Actual Performance
DWT	Document Walk Through
ER	Expenditure Rating
FY	Financial Year
KFA	Key Focus Area
KPI	Key Performance Indicator
PAF	Performance Assessment Form
PAFT	Performance Assessment Form Template
PB	Planned Budget
PT	Performance Target
Q1	1st Quarter
Q2	2st Quarter
Q3	3rd Quarter
Q4	4th Quarter

MAYOR'S FOREWORD

Vision:

The municipality's vision is 'a coherent developmental municipality putting people first and providing a better life for all' with the strategic intent of:

- Promoting social and economic development
- Ensuring effective community participation
- Providing and maintaining affordable services
- Effectively and efficiently utilising all available resources

In this ANNUAL PERFORMANCE REPORT FOR FINANCIAL YEAR 2023-2024 the municipality attempts to give an overview of the performance during the financial year 2023-2024. It attempts to account for the performance of the institution as part of our accountability responsibility. This is in line with the mandate the institution is charged with in terms of the supreme law of the country of:

- Providing a democratic and accountable government
- Ensuring provision of services in a sustainable manner
- Promoting social and economic development
- Promoting a safe and healthy environment
- Encouraging involvement of communities in local government

This report is both a legislative and accountability requirement. In terms of Section 46 of the Local Government: Municipal Systems Act No. 32 of 2000 and Sections 121 and 127(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003, the Municipality must prepare an annual report for each financial year and the Executive Mayor must table such report in Council within seven months after the end of each financial year.

Public Participation:

Public participation is achieved through IDP forums, budget meetings across all wards, ward committee and ward meetings. The community is also invited to make written and oral submission through the local press on any matters which are of interest to them. Mayoral outreach meetings were very successful in the wards where they were held and there were positive and constructive inputs from the communities

Future Actions:

The municipality will have to seriously look into streamlining its activities in line with its budgetary constraints going forward. The appointment of debt collectors have to critically focus on maximizing collection realizable revenue and identifying new revenue sources at our disposal.

To improve Performance Management, The building of SMART (Specific, Measurable, Achievable, Realistic and Time bound) Key Performance Indicators. (KPI)

New Challenges

The Energy sector has worsened with Electrical Load shedding which is impacting productivity.

There are a number of factors that have contributed to the increased load shedding in South Africa in 2023. These include:

- A decline in the availability of power generation capacity. Eskom, the country's power utility, has been struggling to maintain its aging coal-fired power plants. This has led to an increase in unplanned outages, which have forced Eskom to implement load shedding to avoid a nationwide blackout.
- Increased demand for electricity. The South African economy has been growing steadily in recent years, which has led to an increase in demand for electricity. This has put additional strain on Eskom's power grid.

- Climate change. South Africa has been experiencing more extreme weather events in recent years, such as droughts and heatwaves. These events have disrupted Eskom's ability to generate electricity, as they have reduced the availability of water for cooling and increased the risk of fire at power plants.
- Government of National Unity. The national election of 2024 in South Africa resulted a Government of National Unity which is composed of several parties led by the ANC. The shaping of national policy will be determined by the new Government.

The future of load shedding in South Africa is uncertain. Eskom has said that it plans to end load shedding by 2027.

In the meantime, South Africans are likely to continue to experience frequent load shedding. This is having a significant impact on the economy and on people's lives. Businesses are losing money, and people are struggling to work and study without reliable electricity.

The other challenges are:

- High unemployment. The unemployment rate in South Africa is currently at 34.5%, which is one of the highest in the world. This is a major challenge for the government, as it is a drag on the economy and a source of social unrest.
- Poverty. More than half of South Africans live below the poverty line. This means that they cannot afford to meet their basic needs for food, shelter, and healthcare. Poverty is a major cause of crime and social instability in South Africa.
- Crime. South Africa has one of the highest crime rates in the world. This is a major concern for businesses and tourists, and it makes it difficult for people to feel safe in their own homes.
- Corruption. This is a major obstacle to economic development and it undermines public trust in the government.
- Poor infrastructure. South Africa's infrastructure is in a state of decline. This includes roads, bridges, water and sanitation systems, and public transportation. This makes it difficult for businesses to operate and it makes it difficult for people to get around.

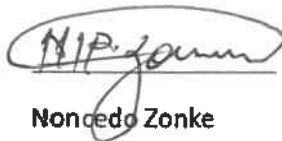
MAYOR'S FOREWORD

COGTA KPIS

Recognizing the need for adaptable performance monitoring frameworks, COGTA has introduced a pilot program (Circular 88) for new Key Performance Indicators (KPIs) outlined in an annexure in this report. This collaborative initiative with local municipalities allows for testing and refinement of these KPIs. Until the National Treasury and the Auditor General collectively approve their inclusion in formal audits, the Auditor-General will not evaluate them.

Conclusion:

Finally, I would like to express my sincere gratitude to all Councillors, officials, the communities of Inxuba Yethemba Municipality and stakeholders for their dedication support and co-operation, which enabled the institution to record service delivery progress during the term of office in general and current financial year in particular



Noncedo Zonke

Executive Mayor

30 June 2024

Date

FOREWORD BY MUNICIPAL MANAGER

Dear Citizens of Inxuba Ye Themba Municipality,

I am pleased to present this annual performance report, which reflects the continued success and resilience of our municipality. Despite facing numerous challenges, we have consistently exceeded the national average of 75% performance, a testament to the dedication and hard work of our team. This year the Municipality managed to achieve 96.75% of the overall in compariso to 94.1% last year which is an improvement of 2.65%

One of the most significant challenges we have encountered in the Eastern Cape Province has been the provision of electricity. The aging infrastructure, coupled with increasing demand, has strained our resources. We have implemented various strategies to address this issue, including infrastructure upgrades, energy efficiency initiatives, and exploring alternative energy sources. While progress has been made, this remains a complex challenge that requires ongoing attention.

The untimely passing of our Chief Financial Officer, Mr Ludwe Hanana, was a setback for the municipality. However, through the leadership of our acting CFO and the support of our financial team, we have maintained fiscal stability and continued to deliver essential services.

Revenue collection has also been a challenge. We have implemented measures to improve our collection rates, such as enhanced billing systems, debt recovery strategies, and community outreach programs. While there is still room for improvement, we have made significant strides in this area.

The stability of our management team has been a key factor in our success. The consistency of leadership has fostered a positive work environment and enabled us to implement long-term strategies. The support of our mayor, political office bearers, and councilors has been invaluable in guiding our municipality towards a brighter future.

FOREWORD BY MUNICIPAL MANAGER

Despite these challenges, we have achieved significant milestones in various areas, including infrastructure development, service delivery improvements, and community initiatives. These accomplishments are a direct result of the dedication and hard work of our employees, who are committed to serving our community.

As we look ahead, we remain focused on addressing the challenges we face and building on our successes. We will continue to prioritize the needs of our citizens and strive to deliver efficient and effective services. Your support and engagement are essential in helping us achieve our goals.

Thank you for your continued trust and confidence in our municipality.

Sincerely,



Mr Mkhululi Mbebe
Municipal Manager

30 June 2024

DATE

INTRODUCTION

The ANNUAL PERFORMANCE REPORT FOR FINANCIAL YEAR 2023-2024 represents the Performance Management based on the Municipal Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP)

Strategies Phase

This phase flows from understanding the problems in the municipal area and seeks to find solutions to the problems

This phase includes formulation of:-

The Municipal Vision

The municipal vision is a statement indicating the ideal situation the municipality would like to achieve in the long term. This is the situation the Municipality would find itself once it has addressed the challenges identified in the analysis phase.

The development Objectives

The identified priority issues identified in the analysis phase are translated into development objectives.

Development objectives are statements of what the municipality would like to achieve in the medium term in order to address the problems identified and also to contribute to the realization of the vision. In essence the objectives bridge the gap between current reality and the vision.

The Development Strategies

Development Strategies provide answers to the question of how the municipality will reach its objectives. They are strategic decisions about the most appropriate ways and means to achieve the objectives.

Project Identification

The formulated strategies result in the identification of projects

Project Phase

This phase is about the design and specification of projects for implementation. The projects identified must have a direct linkage to the priority issues and the objectives identified. An indication must be made on each project who the intended beneficiaries (target group), its location, time frame, who will be responsible for managing it how much it will cost and where the money will come from. Furthermore targets and indicators are formulated to measure performance and the impact of the project.

Integration Phase

The main purpose of Integration Phase is to draw together the customers of the previous phases, and to check that project proposals are in line with vision, objectives strategies resources, and legal requirements.

Projects may also be refined and are drawn into programmes that are in harmony in terms of their contents, timing and location.

Approval Phase

The complete IDP is submitted to the municipal council for consideration and approval. The council needs to look at whether the IDP identifies the problems that affect the area, as well as the extent

to which the strategies and projects will contribute to addressing the problems. The council must also ensure that the IDP complies with the legal requirements before it is approved.

Process Plan

Each Municipal Council within a prescribed period after the start of its elected term must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. (Section 28(1) of the Municipal Systems Act (Act no. 32 of 2000))

The process plan include the following:-

- Organisational arrangements structure
- Distribution of roles and responsibilities
- Mechanisms and procedures for public participation
- Mechanisms and procedures for alignment
- Budget for the planning process
- Process plan programme

The IDP Manager shall in accordance with the provisions of the Municipal Systems Act legislation framework:

- Ensure that the Local Framework is drafted and adopted;
- Manage the Local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;
- Encourage an inclusive participatory planning process and compliance with action programme
- Facilitate the horizontal and vertical alignment of the IDP

INTRODUCTION

- Ensure that the planning process outcomes are properly documented
- Manage service providers to local municipal IDP

BACKGROUND DATA INFORMATION

The municipality performs its functions in terms of Section 152 and 153 of the Constitution of the Republic of South Africa, Act 108 of 1996. In addition to the provisions of Section 152 and 153, Schedule 4, Part B of the Constitution provide for the functional areas of the local municipality of the municipality is rendering such services. It should however be borne in mind that some of the function may not be applicable to this municipality while some are rendered by the District Municipality since the municipality does not have capacity. Those services that are not rendered by this municipality are indicated in this document.

Inxuba Yethemba Municipality is situated in the Chris Hani District Municipality in the Eastern Cape Province. It is approximately 240km north of Nelson Mandela Metro. It is comprised of the former Middelburg EC and Cradock Local and Rural councils with their urban centres situated 100km apart. Cradock consists of the suburbs of Cradock, Lingelihle and Michausdal communities, whilst Middelburg has the Middelburg suburb with Kwanonzame Lusaka, and Midros communities.

The two urban centres of Cradock and Middelburg are fairly similar with well-developed CBD's and fair infrastructure whilst a lot still needs to be done in the former previously disadvantaged communities. The rural areas of both towns are mostly commercial farms, with small settlements in rural areas of Fish River, Mortimer and Rosmead.

The N10 National Road which is the vital economic link between Port Elizabeth and the North runs through Cradock and skirts Middelburg. The economy of the area is largely based on agriculture and tourism with small and medium enterprises, formal sector like government departments and finance and commercial institutions.

Inxuba Yethemba had the highest average annual economic growth, averaging 1.35% between 2010 and 2020, when compared to the rest of the regions within the Chris Hani District Municipality. The Intsika Yethu Local Municipality had the second highest average annual growth rate of 0.83%. Emalahleni Local Municipality had the lowest average annual growth rate of 0.41% between 2010 and 2020.

Water

This function is currently performed by Chris Hani District Municipality

Sewerage

This function is currently performed by Chris Hani District Municipality

Electricity

The municipality distributes electricity to Cradock town, Michausdal and the whole of Middelburg. In Lingelihle township Eskom is the distributor. It also has a responsibility to provide and maintain streetlights throughout the municipality. Electricity is purchased in bulk from Eskom and distributed through the municipality's infrastructure and network.

Waste Management

Waste Management Includes:

- refuse removal
- solid waste disposal
- landfills
- street cleaning
- waste recycling

The removal of household and business refuse industrial waste and medical waste, street sweeping of the central business zone and peripheries. This also includes the management of solid waste disposal site which we are currently not doing well. Removal of refuse from households and business premises is done once a week throughout the municipality although we are struggling with refuse removal trucks and had to hire most of the time.

Roads

The municipality has a responsibility to construct and maintain roads within the municipal area of jurisdiction.

The strategic objectives of roads section is to ensure that major arterial roads are maintained, tarred/paved and graded and provided with an storm water drainage. There is 146 km tarred/paved and about 171 km gravelled roads in the municipal area. Very few of the roads are in a fair condition the majority are in a very poor state.

Housing

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Inxuba Yethemba	12,979	7,418	91	182	108	20,777

Source: IHS Markit Regional eXplorer version 2201

Housing by Sanitation Type:

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Inxuba Yethemba	19,426	329	208	60	754	20,777

Source: IHS Markit Regional eXplorer version 2201

INTRODUCTION

Housing by Type of Water Access

	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Inxuba Yethemba	12,358	7,677	293	32	417	20,777

Source: IHS Markit Regional eXplorer version 2201

Households by type of electrical connection -

	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Inxuba Yethemba	290	20,152	335	20,777

Source: IHS Markit Regional eXplorer version 2201

Households by refuse disposal

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Inxuba Yethemba	16,416	901	682	2,629	150	20,777

Source: IHS Markit Regional eXplorer version 2201

Land

INTRODUCTION

There is adequate municipal-owned land (situated within the urban edge) available for development with approximately 283.2Ha of municipal land reserved for housing development. Land availability is therefore not a constraint to the development process. In general, rural land is privately owned and has to be purchased and negotiated with private landowners.

Municipal Demographics

	2010	2015	2020	Average Annual Growth
Inxuba Yethemba	65.500	69.400	73.700	1.18%

Source: IHS Markit Regional eXplorer version 2201

The Inxuba Yethemba Local Municipality increased the most, in terms of population, with an average annual growth rate of 1.18%,

The lowest population density can be observed in the Inxuba Yethemba Local Municipality with a total of 6.32 people per square kilometre.

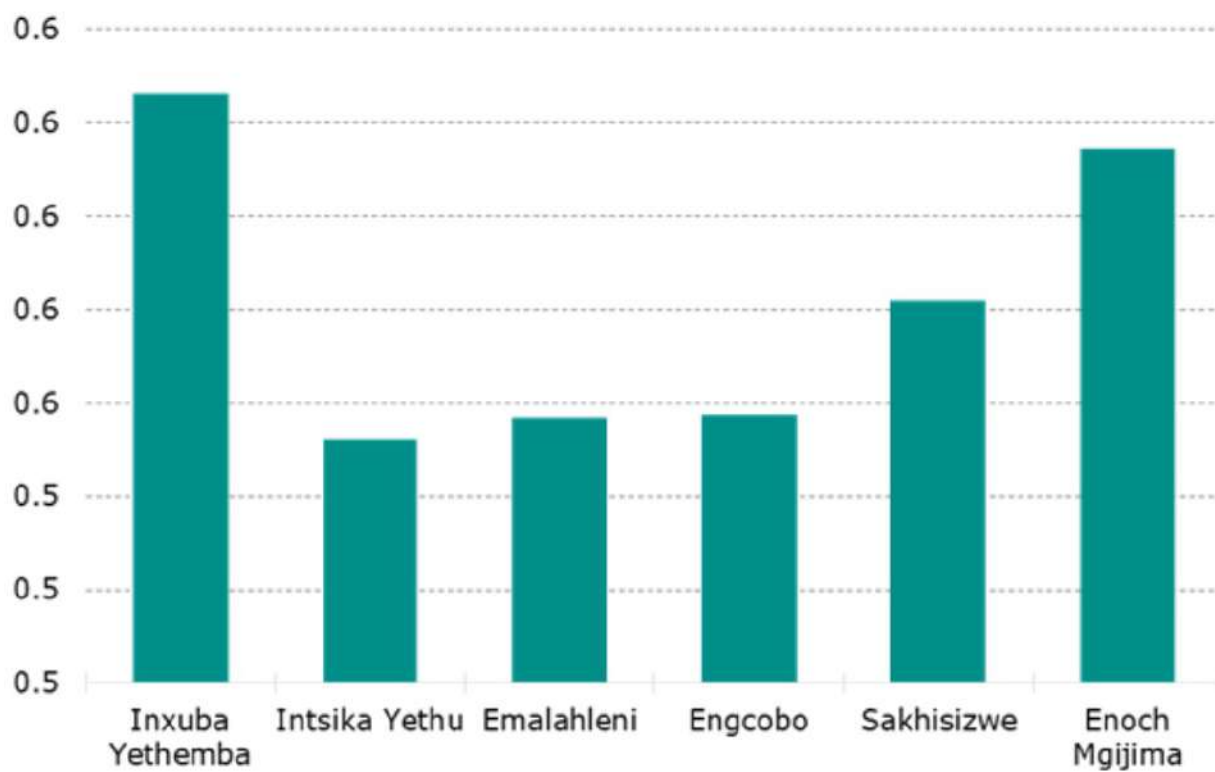
Income per Household

	Inxuba Yethemba
2010	2.43
2011	2.65
2012	3.01
2013	3.33
2014	3.66
2015	4.02
2016	4.34
2017	4.76
2018	5.13
2019	5.42
2020	5.29
Average Annual growth	
2010-2020	8.09%

Source: Source: IHS Markit Regional eXplorer version 2201

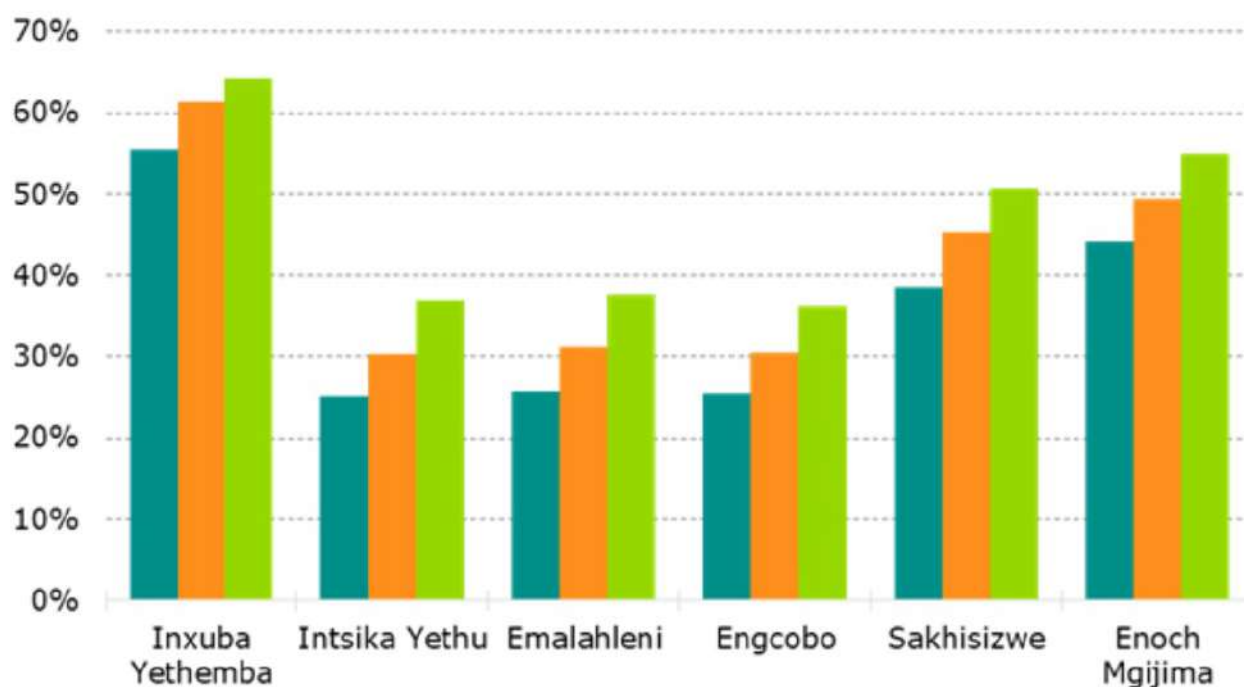
Social Development Indicators

Gini coefficient - local municipalities and the rest of Chris Hani District Municipality, 2020



Source: Source: IHS Markit Regional eXplorer version 2201

The labour force participation rate - local municipalities and the rest of Chris Hani District



Source: Source: IHS Markit Regional eXplorer version 2201

When comparing unemployment rates among regions within Chris Hani District Municipality, Emalahleni Local Municipality has indicated the highest unemployment rate of 55.0%, which has increased from 37.6% in 2010. It can be seen that the Inxuba Yethemba Local Municipality had the lowest unemployment rate of 28.5% in 2020, which increased from 18.5% in 2010.

Gross Domestic Product (GDP)

	2020 (Current prices)	Share of district municipality	2010 (Constant prices)	2020 (Constant prices)	Average Annual growth
Inxuba Yethemba	6.55	18.97%	4.54	5.19	1.35%

Source: Source: IHS Markit Regional eXplorer version 2201

Key Performance Areas

Key Performance Areas, Strategic Goals, Strategic Objectives and Priority Areas.

The inputs in the matrix are generally addressed in terms of the municipal priority issues herein grouped under five Key Performance Areas, namely: -

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	STRATEGIC GOAL: To provide good quality and sustainable infrastructure and basic services
STRATEGIC OBJECTIVE	PRIORITY ISSUES/FUNCTIONS.
	Electricity, Roads and Stormwater, Environmental Management, Solid waste, Traffic and Law enforcement, public amenities, Safety and Security
KPA 2: MUNICIPAL FINANCIAL VIABILITY	STRATEGIC GOAL: Provision of effective and efficient management of municipal finances and assets
STRATEGIC OBJECTIVE	PRIORITY ISSUES/FUNCTIONS.
	Expenditure and payroll management, Revenue and Debt Management, Supply chain management, Budget planning and reporting, Asset management.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	STRATEGIC GOAL: To facilitate enterprise development, job creation, human settlements, and town planning
STRATEGIC OBJECTIVE	PRIORITY ISSUES/FUNCTIONS.
To facilitate the creation, retention and re-investment in sustainable enterprises that can create jobs and improve the quality of life for the Citizens of Inxuba Yethemba by 2027.	Local economic development, agriculture, tourism and heritage, town planning and human settlements
KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	STRATEGIC GOAL:
STRATEGIC OBJECTIVE	PRIORITY ISSUES/FUNCTIONS.
	Human resources (Organisational design, Recruitment, and selection, Personnel administration, Leave administration, Skills development, Employment equity, Wellness, Occupational health and safety), Council Support and Committees, Information Communication Technology, Archives and Records, Management of Satellite Office).
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	STRATEGIC GOAL:
STRATEGIC OBJECTIVE	PRIORITY ISSUES/FUNCTIONS.
	Communication, Municipal Public Accounts, Internal Audit and Audit Committee, Risk Management, Fraud Prevention, Special Programs, Public Participation, Petitions Management,

2.2 ALIGNMENT OF IYM IDP WITH NATIONAL PLANS

Eastern Cape Vision 2030	National Development Plan	Medium Term Strategic Framework	12 Outcomes	Inxuba Yethemba Municipality Strategic Objectives
Capable democratic institutions	Building a capable and development state		Output 6 : Administrative and financial capability	To increase the amount of revenue collected annually
Innovative and inclusive growing economy	Employment and economy	Priority 2: Economic Transformation and Job Creation		To improve local economic devpment
An enabling infrastructure network	Economic Infrastructure	Priority 2: Economic transformation and job creation	Output 2: Improving access to basic services	To ensure effective construction and maintenance of municipal infrastructure
				To ensure properly maintained municipal facilities
				To ensure provision of adequate electricity supply to iym communities
	Environmental sustainability and resilience		Protection and enhancement of environmental assets and natural resources	To promote a clean environment
An educated, empowered, and innovative citizenry.				To develop the skills of the workforce and unemployed youth to enhance their competencies
Human Development	Employment and economy			To improve literacy levels
Innovative and inclusive growing economy	Employment and economy	Priority 7: A better Africa and World	Innovative and inclusive growing economy	To Implement Tourism and Heritage Management Plan
A capable democratic institutions		Priority 6: Social Cohesion and Safer Communities		To streamline special programs by ensuring functionality of all special programmes structures
			Output 4: Actions supportive of the human settlement outcome	To educate communities about home ownership
				To ensure efficient and effective spatial planning and land use management
				To support the establishment of smmes
Innovative and inclusive growing economy	Employment and economy			
Human Development		A capable, Ethical and Developmental State	A responsive, accountable, effective and efficient local government system	To ensure knowledge dissemination and compliance with occupational health and safety regulations
A capable democratic institutions	Fighting Corruption			To ensure an effective municipal governance in line with applicable legislation
				To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration
A capable democratic institutions	Nation Building and social cohesion		A developmental oriented public service and inclusive citizenship	To improve community participation in the affairs of the municipality

PERFORMANCE REPORT FOR ANNUAL YEAR

INTRODUCTION

This report provides the Assessment reports for the for ANNUAL YEAR.

The process for the Assessment is conducted as outline below:

- The targets for the Municipal Scores are derived from the Integrated Development Plan (IDP) and the Service Delivery and budget Implementation Plan (SDBIP).
- The IDP and SDBIP provide the Key Performance Indicators Per Quarter and the Performance Targets (PT).
- The KPIs are weighted to ensure that each section has the same total score. This is required in order to ensure that Sections that have several than several KPIs are finally weighted the same as those that may have fewer KPIs. Therefore the weighting for a KPI may be distributed.

TARGETS

Note 2324.1.4.8 for audit action plan is supposed to be 2324.1.4.9. This was a human error on the SDBIP.

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To provide support to indigent beneficiaries in line with the indigent policy	bto	2324.1.4.8	Number of updates to the indigent register	Each update to the indigent register will require a summary report of the detailed register showing what is updated, the processes and public consultations that were undertaken	R 3,120,000.00	Opex	1	1	1				2324.1.4.8	Number of updates to the indigent register	Each update to the indigent register will require a summary report of the detailed register showing what is updated, the processes and public consultations that were undertaken	R 1,306,000.00	Opex	1	1	1				CFO indicated that the budget has been reduced to R1.36m
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean environment	communi ty services	2324.2.1.2	Number of Solid Waste Programmes implemented	measurement shall be the activities (1.refuse removal from streets (household/business/industry refuse) 2. street cleaning/cleansing) conducted on a weekly basis.		Opex	2	2	2	2	2	2	2324.2.1.2	Number of Solid Waste Programmes implemented	measurement shall be the activities (1.refuse removal from streets (household/business/industry refuse) 2. street cleaning/cleansing) conducted on a weekly basis.		Opex	4	2	2	2	2	2	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE	To promote a clean and safe environment	communi ty services	2324.2.1.2.1	Number of Waste Management	purchase of 1 compact truck	R 1,200,000.00	CAPEX	0	1	0	0	0	1	2324.2.1.2.1	Number of Waste Management	purchase of 1 compact truck	R 1,200,000.00	CAPEX	0	1	0	0	0	1	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
DEVELOPMENT				Machineries purchased										Machineries purchased											
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTU RE DEVELOPMENT	To improve literacy levels	communi ty services	2324.2.3. 5	Number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	they will be conducted at community halls. the targetted wards are for lingelithle ward 2, ward 4 , ward 9, ward 7 campaigns shall be counted per event for each ward	R800,000.0 0	DSRAC	4	4	1	1	1	1	2324.2.3. 5	Number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	they will be conducted at community halls. the targetted wards are for lingelithle ward 2, ward 4 , ward 9, ward 7 campaigns shall be counted per event for each ward	R800,000.0 0	DSRAC	4	4	1	1	1	1	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTU RE DEVELOPMENT	To contribute in community safety programmes within the municipal area	communi ty services	2324.2.5. 3	Number of law enforcement fines issued	traffic enforcement indicator focusing on the issuing of law enforcement fines	R100 000	Opex	1289	1289	320	32 3	32 3	323	2324.2.5. 3	Number of law enforcement fines issued	traffic enforcement indicator focusing on the issuing of law enforcement fines	R100 000	Opex	1720	1443	320	32 3	40 0	400	The targets for Q3 and Q4 need to increase, based on the performance of Q1 and Q2 and also considering the baseline. Director indicated that it increases to 400 for Q3 and 400 for Q4
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTU RE	To promote a clean and safe environment	communi ty services	2324.2.5. 5	Number of Vehicle Testing Stations	purchase of 1 vehicle testing stations	R 600,000.00	CAPEX	0	1	0	0	0	1	2324.2.5. 5	Number of Vehicle Testing Stations	purchase of 1 vehicle testing stations	R 600,000.00	CAPEX	0	1	0	0	0	1	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target											AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	KpiCode	KPI Description	activity description	Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
DEVELOPMENT				purchased	equipment										purchased	equipment									
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To promote a clean environment	communi ty services	2324.2.7. 8	Number of environment al managemen t campaigns conducted	environment al awareness campaigns (refuse and cultivation of plants) conducted for community and schools.		Opex	7	7	1	2	2	2	2324.2.7. 8	Number of environment al managemen t campaigns conducted	environment al awareness campaigns (refuse and cultivation of plants) conducted for community and schools.		Opex	8	12	4	4	2	2	Already 8 have been done by mid term, so the adjustment needs to be made
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure provision of adequate electricity supply to iym communities	technical services	2324.3.2. 1	Number of actions undertaken to reduce electricity losses	perform annual audits on technical and non- technical losses of electricity to ensure minimum electricity losses	R0	Opex	10	10	2	2	3	3	2324.3.2. 1	Number of actions undertaken to reduce electricity losses	perform annual audits on technical and non- technical losses of electricity to ensure minimum electricity losses	R0	Opex	4	10	2	2	3	3	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure provision of adequate electricity supply to iym communities	technical services	2324.3.2. 8	Number of Street lights Retrofitted	replacement of hps bulbs with led bulbs in the following areas,	R5 000 000	EEDSM	377	377	0	77	15 0	150	2324.3.2. 8	Number of Street lights Retrofitted	replacement of hps bulbs with led bulbs in the following areas,	R5 000 000	EEDSM	312	377	0	77	15 0	150	Although the baseline was 312, they needed to install the remaining 65 in this year in order to catch up. There is enough material in stores to achieve this. The budget budget should be increased by

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
																									R100,000 for the repair of the vehicle fleet
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective planning and maintance of municipal infrastructure	technical services	2324.3.3. 1	Number of infrastructur e maintenanc e plans updated	update infrastructur e maintenanc e plan. every year the plan must be updated and timelines provided		Opex/ Maintan ance Budget	1	1	1				2324.3.3. 1	Number of infrastructur e maintenanc e plans updated	update infrastructur e maintenanc e plan. every year the plan must be updated and timelines provided		Opex/ Maintan ance Budget	1	1	1				
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	2324.3.4. 4	Number of meters of road infrastructur e paved	1. paving of joko street – phase 2 (ward 9); 2. midros access road – phase 2 (revier weg in ward 7 & 8); 3.chris hani street – phase 2 (ward 2); 4. mischausdal internal roads and stormwater control – phase 1 (ward 4) 5. paving of raymond mhlaba street;by definition paving can	R23,500,00 0	MIG	0	1500				150 0	2324.3.4. 4	Number of meters of road infrastructur e paved	1. paving of joko street – phase 2 (ward 9); 2. midros access road – phase 2 (revier weg in ward 7 & 8); 3.chris hani street – phase 2 (ward 2); 4. mischausdal internal roads and stormwater control – phase 1 (ward 4) 5. paving of raymond mhlaba street;by definition paving can	R23,500,00 0	MIG	600	1500				150 0	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
					include tar, interlocking blocks and concrete surfacing).											include tar, interlocking blocks and concrete surfacing).									
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	2324.3.4. 6	Number of highmast lights erected	highmast lights erected (rosemead)	R 3,700,000	MIG	25	4	0	0	0	4	2324.3.4. 6	Number of highmast lights erected	highmast lights erected (rosemead)	R 3,700,000	MIG	25	4	0	0	0	4	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	2324.3.4. 7	Percentage expenditure on mig funds	percentage expenditure on mig funds	R38,200,00 0	MIG	100	100	25	25	25	25	2324.3.4. 7	Percentage expenditure on mig funds	percentage expenditure on mig funds	R38,200,00 0	MIG	100	100	25	25	25	25	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	2324.3.4. 8	number of iym facilities refurbished	refurbishme nt of depalidated cradock sports facility.	R8m from DSRAC R R3mi 11,000,000 .00 from iym		1	1				1	2324.3.4. 8	number of iym facilities refurbished	refurbishme nt of depalidated cradock sports facility.	R8m from DSRAC R R3mi 11,000,000 .00 from iym		1	1				1	
KPA 1 : SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	To ensure effective construction and maintenance of municipal infrastructure	technical services	2324.3.4. 9	Number of meters of cradock streets rehabilitated	the kpi measures the number of meters of streets resealed or rehabilitated . the following streets cawood and	R8 500 000 ,00	Own Funding	0	1500	150 0	0	0	0	2324.3.4. 9	Number of meters of cradock streets rehabilitated	the kpi measures the number of meters of streets resealed or rehabilitated . the following streets cawood and	R8 500 000 ,00	Own Funding	0	1500	150 0	0	0	0	The baseline for last year was part construction of base layers so its zero as it was not the top layer completed

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target									KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
					sprigg street are considered.											sprigg street are considered.									
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To improve local economic development	communi ty services	2324.2.1 0.1	Number of work opportunitie s created through Public Employment Programmes	appoint epwp workers to be deployed in technical community and iped directorates	R3,300,000 .00	Public Works/E PWP Grant	224	224	224				2324.2.1 0.1	Number of work opportunitie s created through Public Employment Programmes	appoint epwp workers to be deployed in technical community and iped directorates	R3,300,000 .00	Public Works/E PWP Grant	224	224	224				Baseline for 2024 2025 should be 288
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To support the establishment of smmes	iped	2324.4.3. 5	Number of smme capacitation training workshops/ seminars conducted	conduct training workshops and seminars for smmes	R100 000	Opex	4	4	1	1	1	1	2324.4.3. 5	Number of smme capacitation training workshops/ seminars conducted	conduct training workshops and seminars for smmes	R100 000	Opex	5	8	1	1	3	3	6 has already been achieved by mid term. Director indicated that a total of 8 would be done for the year
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To support the establishment of smmes	iped	2324.4.3. 7	Number of business licenses approved	approve business licenses for operating businesses	R0	Opex	0	100	25	25	25	25	2324.4.3. 7	Number of business licenses approved	approve business licenses for operating businesses	R0	Opex	20	25	0	25	0	0	Based on the baseline for the prior year and the fact that only 25 was achieved in the first 2 quarters, Director requested for KPI to be adjusted as there is an issue with foreign nationals conducting businesses using fake identifications.

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
																									Director to communicate with Home Affairs with approval from Municipal Manager to be done 28th Feb 2024
KPA 2: LOCAL ECONOMIC DEVELOPMENT	To Implement Tourism and Heritage Management Plan	iped	2324.4.4.7	Number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month	R60,000.00	Opex	4	4	1	1	1	1	2324.4.4.7	Number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism month	R60,000.00	Opex	4	4	1	1	1	1	
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve compliance and adherence to legislation	bto	2324.1.4.7	Percentage of submission of information requested by ag	address auditor general findings and rfis. for 2022/2023 audit	R0	Opex	100	100		100			2324.1.4.7	Percentage of submission of information requested by ag	address auditor general findings and rfis. for 2022/2023 audit	R0	Opex	100	100		100			
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve compliance and adherence to legislation	bto	2324.1.4.9 Code Update	Number of updates to the Audit Action Plan	audit action plan which is monitored and updated and reported on per quarter	R0	Opex	4	4	1	1	1	1	2324.1.4.9 Code update	Number of updates to the Audit Action Plan	audit action plan which is monitored and updated and reported on per quarter	R100 000	FMG	4	4	1	1	1	1	Cfo indicates that the budget is from FMG
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure an effective municipal governance in line with applicable legislation	corporate services	2324.5.7.1	Number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentati on relating to new/ amended policies	R0	Opex	20	20	0	0	0	20	2324.5.7.1	Number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentati on relating to new/ amended policies	R0	Opex	20	20	0	0	0	20	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
					strategies, and bylaws											strategies, and bylaws									
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure effective Audit and Corporate governance function that will result in improved compliance and clean administration	omm	2324.6.1. 1	Number of internal audit programmes executed by financial year end	implementa tion various audit programmes by year end	R50 000.00	Opex	20	20	5	5	5	5	2324.6.1. 1	Number of internal audit programmes executed by financial year end	implementa tion various audit programmes by year end	R50 000.00	Opex	18	18	5	5	3	5	Adjustment requested by CAE
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure that the municipality operates free of anticipated risk of maladministra tion, fraud and corruption	omm	2324.6.2. 2	Number of Strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quarter	R0	Opex	0	2	2	2	2	2	2324.6.2. 2	Number of Strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quarter	R0	Opex	0	2	2	2	2	2	
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To ensure that the municipality operates free of anticipated risk of maladministra tion, fraud and corruption	omm	2324.6.3. 1	Number of anti-fraud and corruption prevention initiatives undertaken	implementa tion of public service anti- corruption and fraud prevention plans	R50 000.00	Opex	2	1	1		0		2324.6.3. 1	Number of anti-fraud and corruption prevention initiatives undertaken	implementa tion of public service anti- corruption and fraud prevention plans	R50 000.00	Opex	0	1	1		0		It is not advisable to reduce the target
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To streamline special programs by ensuring functionality of all special programmes	omm	2324.6.5. 4	Number of SPU strategy programs implemente d	implement the approved special programmes strategy		Opex	3	3	1	1	1	0	2324.6.5. 4	Number of SPU strategy programs implemente d	implement the approved special programmes strategy		Opex	3	3	1	1	1	0	This seems to be on target and on point

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
	structures																								
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To Promote Public Accountability	omm	2324.6.6. 1	Number of Municipal Public Accounts Meetings held	convene mpac meetings. Only legistlate meetings will be measured (1 per Quarter)	R50 000.00	Opex	4	4	1	1	1	1	2324.6.6. 1	Number of Municipal Public Accounts Meetings held	convene mpac meetings. Only legistlate meetings will be measured (1 per Quarter)	R50 000.00	Opex	4	4	1	1	1	1	
KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To improve community participation in the affairs of the municipality	omm	2324.6.7. 4	Number of public participation strategy programmes implemente d	the programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x 2 (one in june and other in december) repoerted in q1 and q2 - mrm (moral regeneration movement) - woman caucus -war rooms (these take	R100 000.00	Opex	5	5	1	1	0	3	2324.6.7. 4	Number of public participation strategy programmes implemente d	the programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x 2 (one in june and other in december) repoerted in q1 and q2 - mrm (moral regeneration movement) - woman caucus -war rooms (these take	R100 000.00	Opex	5	5	1	1	0	3	This seems to be on target and on point

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
					place throuout the year)											place throuout the year)									
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To provide Human Resources Support to all Directorates in the Municipality	corporate services	2324.5.1. 1	Number of reports on implementa tion of Human Resource Policy Programmes	report on hr related activities (recruitment , jd writing ee)	R0	Opex	0	3	0	1	1	1	2324.5.1. 1	Number of reports on implementa tion of Human Resource Policy Programmes	report on hr related activities (recruitment , jd writing ee)	R0	Opex	1	3	0	1	1	1	This seems to be on target and on point
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To provide appropriate Human Resource to support all Directorates in the Municipality	corporate services	2324.5.1. 2	Number of Local Labour Forum Meetings convened	convene llf meetings	R0	Opex	4	4	1	1	1	1	2324.5.1. 2	Number of Local Labour Forum Meetings convened	convene llf meetings	R0	Opex	7	4	1	1	1	1	It is not advisable to reduce the target
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To improve institutional ict capacity	corporate services	2324.5.2. 5	Number of ICT Projects implemente d	q4- establish ict disaster recovery site r1,200,000; cradock server room upgrade (installation of biometric system, fire detector and fire supressors) for r500,000 ict help desk system q4 for r300 000 and procuremen t of office	R2 500 000	Capex	2	4	0	4	0	0	2324.5.2. 5	Number of ICT Projects implemente d	q4- establish ict disaster recovery site r1,200,000; cradock server room upgrade (installation of biometric system, fire detector and fire supressors) for r500,000 ict help desk system q4 for r300 000 and procuremen t of office	R2 500 000	Capex	2	4	0	0	2	2	Director indicated that 2 projects will be done in Q3 and 2 in Q4

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
					365 licenses r500,000 note could not be completed in 2022 2023 as was not in procuremen t plan											365 licenses r500,000 note could not be completed in 2022 2023 as was not in procuremen t plan									
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To ensure knowledge dissemination and compliance with occupational health and safety regulations	corporate services	2324.5.4. 1	Number of occupational health and safety policy programmes implemente d (PPE Provision, Medical Screening, Health and Safety Inspections)	q1 – inspections (e.g. physical, chemical biological) targetting technical service this is to catch up from prior year which was missed in q3 q2 – issuing of ppe – technical, community, iped, q4- medical screening for waste and electrical department section			2	3	1	1	1	0	2324.5.4. 1	Number of occupational health and safety policy programmes implemente d (PPE Provision, Medical Screening, Health and Safety Inspections)	q1 – inspections (e.g. physical, chemical biological) targetting technical service this is to catch up from prior year which was missed in q3 q2 – issuing of ppe – technical, community, iped, q4- medical screening for waste and electrical department section			1	3	1	1	1	0	This seems to be on target and on point
KPA 4: MUNICIPAL TRANSFORMAT	To create work environment in which	corporate services	2324.5.5. 3	Number of employee assistance	report on the programmes		Opex	2	2	0	1	0	1	2324.5.5. 3	Number of employee assistance	report on the programmes		Opex	2	2	0	1	0	1	This seems to be on target

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target									KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
ION AND DEVELOPMENT	employees are adequately informed and educated on their well- being			policy programmes implemente d	on staff psychosocial support (substance abuse, wellness (psychologic al, socio- economic & physical workshop)										policy programmes implemente d	on staff psychosocial support (substance abuse, wellness (psychologic al, socio- economic & physical workshop)									and on point
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	institutional development	corporate services	2324.5.8. 2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills audit	R1,200,000	Opex	40	40	10	10	10	10	2324.5.8. 2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills audit	R1,200,000	Opex	60	40	10	10	10	10	This kpi seems to be fine. It might require upward adjustment. However there was no report for Q2. There was no report in Q2 so this needs attention.
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To ensure effective performance management	omm	2324.6.4. 1	Number of formal performance evaluations for section 56/57 conducted	valuations for section 56 and 57 manager performance	R100 000.00	Contract ed Services	2	2	0	0	1	1	2324.6.4. 1	Number of formal performance evaluations for section 56/57 conducted	valuations for section 56 and 57 manager performance	R100 000.00	Contract ed Services	2	2	0	0	1	1	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
KPA 4: MUNICIPAL TRANSFORMAT ION AND DEVELOPMENT	To ensure effective performance management	omm	2324.6.5. 3	Number of institutional strategic documents developed and submitted to council for approval	develop 1 idp and 1 sdbip, submit to council for approval as legislated	R100 000.00	Contract ed Services	2	2	0	0	0	2	2324.6.5. 3	Number of institutional strategic documents developed and submitted to council for approval	develop 1 idp and 1 sdbip, submit to council for approval as legislated	R100 000.00	Contract ed Services	2	2	0	0	0	2	
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper expenditure management in compliance with legislation	bto	2324.1.1. 1	percentage of creditors paid within 30 days	payment of creditors within 30 days. age analysis from system and submitted invoices				100	100	10 0	10 0	100	2324.1.1. 1	percentage of creditors paid within 30 days	payment of creditors within 30 days. age analysis from system and submitted invoices				100	100	10 0	10 0	100	
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To increase the amount of revenue collected annually	bto	2324.1.2. 4	Percentage monthly collection rate (Opening balance + billed revenue- closing balance)/bill ed revenue)x10 0	% monthly collection rate (opening balance + billed rvenue- closing balance)/bill ed revenue)x10 0			80	80	20	20	20	20	2324.1.2. 4	Percentage monthly collection rate (Opening balance + billed revenue- closing balance)/bill ed revenue)x10 0	% monthly collection rate (opening balance + billed rvenue- closing balance)/bill ed revenue)x10 0			80	80	20	20	20	20	Baseline must always be 80
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper supply chain protocols in compliance with the MFMA legislation	bto	2324.1.3. 4	Number of SCM reports on the implementa tion of Supply Chain Managemen t Policy	measureme nt – the submission that was made for previous quarter to council and	R0	Opex	4	4	1	1	1	1	2324.1.3. 4	Number of SCM reports on the implementa tion of Supply Chain Managemen t Policy	measureme nt – the submission that was made for previous quarter to council and	R0	Opex	4	4	1	1	1	1	

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target								KpiCode	KPI Description	activity description	AdjustedTarget								Recommendati ons
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4	
				submitted to Council	the resolution										submitted to Council	the resolution									
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To implement proper supply chain protocols in compliance with the MFMA legislation	bto	2324.1.3.5	Number of Procurement Plans submitted to council for approval	the procurement plan submitted to council and the resolution	R0	Opex	2	2	0	0	1	1	2324.1.3.5	Number of Procurement Plans submitted to council for approval	the procurement plan submitted to council and the resolution	R0	Opex	2	2	0	0	1	1	
KPA 5: FINANCIAL VIABILITY AND MANAGEMENT	To improve compliance and adherence to legislation	bto	2324.1.4.2	Number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52(d) reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report per quarter fixed asset register in q1 covering year ended	R8,000,000.00	Opex	12	38	11	9	9	9	2324.1.4.2	Number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52(d) reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report annually in Jan fixed asset	R8,000,000.00	Opex	12	19	6	5	4	4	CFO indicated that the number of reports needed to be corrected as indicated in the adjusted Activity Description

KPA	Dev Objective	departm ent	KpiCode	KPI Description	activity description	Original Target											AdjustedTarget								Recommendati ons	
						Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1	Q2	Q3	Q4				KpiCode	KPI Description	activity description	Budget Allocation	Budget Source	BaseLi ne	Year Targ et 2023 /24	Q1		Q2	Q3	Q4
					to auditor general annual financial statements for the 2022/23 fy and submit to auditor general by 31 august											register in q1 covering year ended to auditor general annual Financial statements for the 2022/23 fy and submit to auditor general by 31 august										

MUNICIPAL RESULTS

Level	Terminology	Color Code
5	Outstanding Performance	
4	Performance Slightly above Expectations	
3	Fully Effective	
2	Performance not fully effective	
1	Unacceptable Performance	

ACTUAL ANNUAL PERFORMANCE FOR ORGANIZATION

The above table is used to rate the level of Performance firstly per kpi and then an avrage per Key Performance Indicator.

Percentage Calculations is done as follows:

- Since Level 3 is Fully effective, it shall serve the basis
- Achievements that are below 2/3 of performance are assigned to Level 1, which will hold a performance of 1/3 which is 33.33% per KPI
- Achievements that are below 3/3 but greater or equal to 2/3 of performance are assigned to Level 2, which will hold a performance of 2/3 which is 66.67% per KPI
- Achievements that are below 4/3 but greater or equal to 3/3 of performance are assigned assigned to Level 3, which will hold a performance of 3/3 which is 100% per KPI
- Achievements that are below to 5/3 but greater or equal to 4/3 of performance are assigned to Level 4, which will hold a performance of 4/3 which is 133.33% per KPI
- Achievements that are equal to or greater than 5/3 of performance are assigned Level 5, which will hold a performance of 5/3 which is 166.67% per KPI. Level 5 is the maximum level that can be claimed for achievement

The results were as below

Planned KPIS	Acheived KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
41	35	2.9	2	performance not fully effective	96.75	

ACTUAL ANNUAL PERFORMANCE FOR KPAS

KPA Performance

KPA	Planned KPIS	Acheived KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Basic Service Delivery	17	15	2.82	2	performance not fully effective	94.12	
Financial Management	4	3	2.75	2	performance not fully effective	91.67	
Good Governance and Public ParticiPation	9	9	3.22	3	performance fully effective	107.41	
Institution Development and Transformation	7	5	2.86	2	performance not fully effective	95.24	
Local Economic Develoment	4	3	2.75	2	performance not fully effective	91.67	

KPA Basic Service Delivery

KPA_Basic_Service_delivery

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	2324.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	measurement the submission that was made for previous quarter to council and the resolut	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	2324.1.3.5	number of procurement plans submitted to council for approval	the procurement plan submitted to council and the resolut	2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			
basic service delivery	to provide support to indigent beneficiaries in line with the indigent policy	2324.1.4.8	number of revisions to the indigent register	each revision to the indigent register will require a summary report of the detailed register showing what is revised, the processes and public consultations that were underta	4	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to promote a clean and safe environment	2324.2.1.2	number of solid waste programmes implemented	measurement shall be the activities 1.refuse removal from streets household/busin ess/industry refuse 2. street cleaning/cleansin g conducted on a weekly bas	4	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to promote a clean and safe environment	2324.2.12.1	number of waste management machineries purchased	purchase of 1 compact tr	0	1	1	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to improve literacy levels	2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high	reading poetry writing spelling bee puzzles boards, cross words debates, book discussions	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
			school scholars													
basic service delivery	to contribute in community safety programmes within the municipalarea	2324.2.5.3	number of law enforcement fines issued	do law enforcement. identify problem areas. operational plans. warrants of arre	1720	1443	2003	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	560	... ... The performance is event driven and very little control on the side of the traffic department	... ...	... ...
basic service delivery	to promote a clean and safe environment	2324.2.5.5	number of vehicle testing stations purchased		0	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder . However based on market research, the response was above the RFQ threshold	will result in an increase in unsafe vehicles on the road.	The tender will be re advertised in the first quarter of 2024 2025 financial year
basic service delivery	to promote a clean and safe environment	2324.2.7.8	number of environmental management campaigns conducted	environmental awareness campaigns refuse and cultivation of plants conducted for community and schoo	8	12	14	3	performance fully effective	100	2023-07-01	2024-06-30	2	... ... We over performed because we had unplanned events that was brought to Community services by CHDM and DEDEAT on schools and at Middelburg landfill sites. And another event for Cradock from CHDM and DEDEAT 18th April 2024,Carinus Primary School, Cradock and 25th June 2024 Lusaka Community Hall, Middelburg	... ...	... ...
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.1	number of actions undertaken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity los	4	10	10	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.8	number of street lights retrofitted	replacement of hps bulbs with led bulbs in the following areas,cradock middelb	312	377	463	3	performance fully effective	100	2023-10-01	2024-06-30	86	... The contractor was appointed late in December for the duration of 6 months ending in June. The contractor started working in 3rd quarter and performed well, they had to	...	...

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														accelerate performance in forth quarter so that we comply with the funder as the project was meant to be completed in June 2024		
basic service delivery	to ensure effective planning and maintance of municipal infrastructure	2324.3.3.1	number of infrastructure maintenance plans upgraded		1	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.4	number of meters of road infrastructure paved	1. paving of joko street,phase 2 ward 9, 2. midros access road, phase 2 revier weg in ward 7 8, 3.chris hani street,phase 2 ward 2, 4. michausdal internal roads and stormwater control,phase 1. ward 4. 5. paving of raymond mhlaba street, by definition paving can include tar, interlocking blocks and concrete surfaci	600	1500	1718	3	performance fully effective	100	2024-04-01	2024-06-30	218	The target for the financial year was 1500m.The contractor performed well and there were no disruptions that delayed the project, this resulted in the achievement of 1700m		
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.6	number of highmast lights erected	high mast lights erected rosem	25	4	4	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.7	percentage expenditure on mig funds	percentage expenditure on mig fu	100	100	100	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal	2324.3.4.8	number of iym facilities refurbished	refurbishment of depalidated cradock sports facili	1	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The non performance is due to us having some challenges in getting a specialized sub	Facilities that are not refurbished may not meet current safety standards or accessibility	The contractor managed to obtained a suitable sub-contractor and the project is

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	infrastructure													contractor for the re- topping of the athletic synthetic track. All respondent service providers could not submit their references	requirements, potentially leading to compliance issues and safety concerns	planned for completion at the end of the 1st quarter , 30 September 2024
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.9	number of meters of cradock streets rehabilitated	the kpi measures the number of meters of streets resealed or rehabilitated. The following streets cawood and sprigg street are consider	0	1500	1500	3	performance fully effective	100	2023-07-01	2024-06-30	0			

Id	Project description	Project - completion status / Progress	Challenges	Remedies (When will this be completed)
1	Design of Roads in Cradock	Completed		
2	Construction of Cattle Custom Feed	Incomplete	Budget constraints	Secure funding
3	Design of MV and LV Distribution Network Rosemead Phase 2(Capotex)	complete	The contractor cash flow problems affected the progress of the project	complete
4	PAVING OF MIDROS ACCESS RIVER ROAD IN MIDDELBURG	complete	The project encountered some delays due to late payments by IYM	complete
5	PAVING OF CHRIS HANI & EKUTHULENI STREET	Incomplete	The project started late due to community protests regarding labour issues	To be completed in 2024
6	Supervision and monitoring of EEDSM Project	Completed		
7	Design. Supervision. monitoring and Supervision INEP	Incomplete	No current struggles / delays, new project	To be completed in 2024
8	Design. Supervision. monitoring and Supervision INEP	Incomplete	No current struggles / delays, new project	To be completed in 2024, ongoing
9	Upgrading of Cradock Sport Field	Incomplete	No current struggles / delays, new project	

10	Paving of Reymond Mhlaba	Incomplete	No current struggles / delays, new project	
11	Paving of Michausdal Internal Route (Steenbok, Takbok and Springbok)	Incomplete	No current struggles / delays, new project	
12	Installation of High Mast Lights in Rosemead	complete	No current struggles / delays, new project	complete

KPA: Financial Viability

KPA_Financial_Viability

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
financial viability and management	to implement proper expenditure management in compliance with legislation	2324.1.1.1	percentage of creditors paid within 30 days	payment of creditors within 30 days. age-analysis from system and submitted invoi	0	100	68.75	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-31.25	... ... The municipality is facing financial constraints,due to low revenue collection	... ... Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	... ... The municipality has a developed an revenue enhancement strategy to be implemented in 2024/25 in the first Quarter.IYM has developed payment schedule in Q1 24/25 that prioritizes invoices based on due dates and available cash. Submit the payment schedule to the CFO to prioritize all payments not made within 30 days
financial viability and management	to increase the amount of revenue collected annually	2324.1.2.4	percentage monthly collection rate	percentage monthly collection rate opening balance plus billed revenue-closing balance or billed revenuex	80	80	100	3	performance fully effective	100	2023-07-01	2024-06-30	20	... ... We over performed due to effective collection campaigns and strategies, such as reminder emails, calls, and special collection initiatives, has improve collection rates.Policy roadshows were conducted with all wards and Debt incentive policy notices were issued	... ...	... ...
financial viability and management	to improve compliance and adherence to legislation	2324.1.4.2	number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52d reports to council for approval 1 per quarter section 72 reports submitted to	12	19	19	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				council for approval 1 report per quarter fixed asset register in q1 covering year ended to auditor general annual financial statements for the 2022/23 fy and submit to auditor general by 31 augu												
financial viability and management	to improve compliance and adherence to legislation	2324.1.4.7	percentage of submission of information requested by ag	address auditor general findings and rfis. for 20222023 au	100	100	100	3	performance fully effective	100	2023-10-01	2024-06-30	0			

KPA: Good Governance & Public Participation

KPA_Good_Governance

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.1.4.9	number of revisions to the audit action plan	audit action plan which is monitored and revised and reported on per quart	0	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure an effective municipal governance in line with applicable legislation	2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentation relating to new/ amended policies strategies, and byl	20	20	51	5	oustanding performance	166.67	2024-04-01	2024-06-30	31	Over performance was due to streamlined processes and focused efforts which lead to the efficient development and review of numerous policies and strategies		
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.6.1.1	number of internal audit programmes executed by financial year end	implementation various audit programmes by year	18	18	18	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.2.2	number of strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quar	0	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	implementation of public service anti-corruption and fraud prevention pl	0	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	2324.6.4.1	number of formal performance evaluations for section 56/57 conducted		2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	2324.6.5.3	number of institutional strategic documents developed and submitted to council for		2	2	2	3	performance fully effective	100	2024-04-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
			approval													
good governance and public participation	to promote public accountability	2324.6.6.1	number of municipal public accounts meetings held	convene mpac meetings. only legislate meetings will be measured 1 per quar	4	4	5	3	performance fully effective	100	2023-07-01	2024-06-30	1	... .. This is to confirm that the Municipal Public Accounts Committee conducted five meetings for the financial year of 203/24.This indicates the over performance by MPAC, because the committees first meeting in quarter three was addressing the issues pertaining oversight report on the annual report and the second one was with the provincial treasury to address the reduction of the UIFWE in the municipality	... ..	... ..
good governance and public participation	to improve community participation in the affairs of the municipality	2324.6.7.4	number of public participation strategy programmes implemented	the programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x 2 one in june and other in december repoerted in q1 and q2 -mrm moral regeneration movement -woman caucus -war rooms these take place throuout the y	5	5	5	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA: Institutional Arrangements

KPA_Institutional_Development

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
institutional development and transformation	to provide human resources support to all directorates in the municipality	2324.5.1.1	number of reports on implementation of human resource policy programmes	report on hr related activities recruitment, jd writing	1	3	3	3	performance fully effective	100	2023-10-01	2024-06-30	0			
institutional development and transformation	to provide appropriate human resource to support all directorates in the municipality	2324.5.1.2	number of local labour forum meetings convened	convene llf meeti	7	4	3	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-1	... ... The Local labour forum had scheduled one meeting for the quarter but due to many items which it had to attend to, it ended not seating the meeting	... ... there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace conditions, wage disputes, or employment policies	... ... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice
institutional development and transformation	to improve institutional ict capacity	2324.5.2.5	number of ict projects implemented	q4- establish ict disaster recovery site r1,200,000; cradock server room upgrade installation of bio metric system, fire detector and fire suppressors for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement pl	2	4	0	1	unacceptable performance	33.33	2023-10-01	2024-06-30	-4	A problem with the specification that the ICT office prepared is the reason for the delay.The specification for all projects was submitted to SCM on June 10,2024	ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025
institutional development and transformation	to ensure knowledge dissemination and compliance with occupational health and safety regulations	2324.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	q1 inspections e.g. physical, chemical biological targetting technical service this is to catch up from prior year which was missed in q3 q2 issuing of ppe technical, community, iped,	1	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				q4 medical screening for waste and electrical department secti												
institutional development and transformation	to create work environment in which employees are adequately informed and educated on their well-being	2324.5.5.3	number of employee assistance policy programmes implemented	report on the programmes on staff psychosocial support substance abuse, wellness psychological, socio-economic physical works	2	2	2	3	performance fully effective	100	2023-10-01	2024-06-30	0			
institutional development and transformation	institutional development	2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills au	60	40	139	5	oustanding performance	166.67	2023-07-01	2024-06-30	99	... the over performance is due to the fact that 70 of our general workers were given a busary for their training with Konwaba Training Institute	...	...
institutional development and transformation	to streamline special programs by ensuring functionality of all special programmes structures	2324.6.5.4	number of spu strategy programs implemented	implement the approved special programmes strategy. implement the approved special programmes strat	3	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA: Local Economic Development

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to improve local economic development	2324.2.10.1	number of work opportunities created through public employment programmes	appoint epwp workers to be deployed in technical community and iped directorat	224	224	288	3	performance fully effective	100	2023-07-01	2024-06-30	64	The over performance is due to the EPWP graduates, their contracts are still continuing until the end of March 2024		
local economic development	to support the establishment of smmes	2324.4.3.5	number of smme capacitation training workshops/ seminars conducted	conduct training workshops and seminars for sm	5	8	12	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	4	... ... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ...	... ...
local economic development	to support the establishment of smmes	2324.4.3.7	number of business licenses approved	approve business licenses for operating busines	20	25	0	1	unacceptable performance	33.33	2023-07-01	2024-06-30	-25	The non performance was due to Non compliance of establishments with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and co operating departments within IYM and other organs of state e.g Home Affairs and CHDM health inspectors	Operating without the necessary licenses can result in significant fines and penalties imposed by regulatory authorities.	IYM will draw up a legal document that will be distributed to all business by the end of August 2024
local economic development	to implement tourism and heritage management plan	2324.4.4.7	number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism mo	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

DEPARTMENT CUMULATIVE PERFORMANCE FOR THE ANNUAL YEAR

Department	Planned KPIS	Acheived KPIS	Average Ranking	Effective Ranking	Ranking Description	Average Ranking Percentage	Colour Code
Budget and Treasury	8	7	2.88	2	performance not fully effective	95.83	
Community Services	7	6	2.86	2	performance not fully effective	95.24	
Technical Services	8	7	2.75	2	performance not fully effective	91.67	
IPED	3	2	2.67	2	performance not fully effective	88.89	
Corporate Services	7	5	3.14	3	performance fully effective	104.76	
Office of the Municipal Manager	8	8	3	3	performance fully effective	100	

KPI PERFORMANCE - CUMULATIVE

KPI PERFORMANCE - Budget and Treasury Department

KPI_Budget_and_Treasury

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
financial viability and management	to implement proper expenditure management in compliance with legislation	2324.1.1.1	percentage of creditors paid within 30 days	payment of creditors within 30 days. age-analysis from system and submitted invoi	0	100	68.75	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-31.25	... ... The municipality is facing financial constraints,due to low revenue collection	... ... Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	... ... The municipality has a developed an revenue enhancement strategy to be implemented in 2024/25 in the first Quarter.IYM has developed payment schedule in Q1 24/25 that prioritizes invoices based on due dates and available cash. Submit the payment schedule to the CFO to prioritize all payments not made within 30 days
financial viability and management	to increase the amount of revenue collected annually	2324.1.2.4	percentage monthly collection rate	percentage monthly collection rate opening balance plus billed revenue-closing balance or billed revenuex	80	80	100	3	performance fully effective	100	2023-07-01	2024-06-30	20	... ... We over performed due to effective collection campaigns and strategies, such as reminder emails, calls, and special collection initiatives, has improve collection rates.Policy roadshows were conducted with all wards and Debt incentive policy notices were issued	... ...	... ...
basic service delivery	to implement proper supply chain protocols in compliance with the mfma legislation	2324.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	measurement the submission that was made for previous quarter to council and the resolut	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to implement proper supply	2324.1.3.5	number of procurement	the procurement plan submitted to	2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
	chain protocols in compliance with the mfma legislation		plans submitted to council for approval	council and the resolut												
financial viability and management	to improve compliance and adherence to legislation	2324.1.4.2	number of financial reports submitted	submission of s71 reports within 10 working days after the end of each month to the executive mayor, treasury compile and submit section 52d reports to council for approval 1 per quarter section 72 reports submitted to council for approval 1 report per quarter fixed asset register in q1 covering year ended to auditor general annual financial statements for the 2022/23 fy and submit to auditor general by 31 augu	12	19	19	3	performance fully effective	100	2023-07-01	2024-06-30	0			
financial viability and management	to improve compliance and adherence to legislation	2324.1.4.7	percentage of submission of information requested by ag	address auditor general findings and rfis. for 20222023 au	100	100	100	3	performance fully effective	100	2023-10-01	2024-06-30	0			
basic service delivery	to provide support to indigent beneficiaries in line with the indigent policy	2324.1.4.8	number of revisions to the indigent register	each revision to the indigent register will require a summary report of the detailed register showing what is revised, the processes and public consultations that were underta	4	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.1.4.9	number of revisions to the audit action plan	audit action plan which is monitored and revised and reported on per quart	0	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPI PERFORMANCE – Community Services Department

Performance_Community_Services

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to improve local economic development	2324.2.10.1	number of work opportunities created through public employment programmes	appoint epwp workers to be deployed in technical community and iped directorat	224	224	288	3	performance fully effective	100	2023-07-01	2024-06-30	64	The over performance is due to the EPWP graduates, their contracts are still continuing until the end of March 2024		
basic service delivery	to promote a clean and safe environment	2324.2.1.2	number of solid waste programmes implemented	measurement shall be the activities 1.refuse removal from streets household/busin ess/industry refuse 2. street cleaning/cleansi ng conducted on a weekly bas	4	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to promote a clean and safe environment	2324.2.12.1	number of waste management machineries purchased	purchase of 1 compact tr	0	1	1	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to improve literacy levels	2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	reading poetry writing spelling bee puzzles boards, cross words debates, book discussions	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to contribute in community safety programmes within the municipalarea	2324.2.5.3	number of law enforcement fines issued	do law enforcement. identify problem areas. operational plans. warrants of arre	1720	1443	2003	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	560	... ... The performance is event driven and very little control on the side of the traffic department	... ...	... ...
basic service delivery	to promote a clean and safe environment	2324.2.5.5	number of vehicle testing stations purchased		0	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder . However based on market research, the response was	will result in an increase in unsafe vehicles on the road.	The tender will be re advertised in the first quarter of 2024 2025 financial year

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														above the RFQ threshold		
basic service delivery	to promote a clean and safe environment	2324.2.7.8	number of environmental management campaigns conducted	environmental awareness campaigns refuse and cultivation of plants conducted for community and schoo	8	12	14	3	performance fully effective	100	2023-07-01	2024-06-30	2	... ... We over performed because we had unplanned events that was brought to Community services by CHDM and DEDEAT on schools and at Middelburg landfill sites. And another event for Cradock from CHDM and DEDEAT 18th April 2024,Carinus Primary School, Cradock and 25th June 2024 Lusaka Community Hall, Middelburg	... ...	... ...

KPI PERFORMANCE – Technical Services Department

Performance_Technical_Services

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.1	number of actions undertaken to reduce electricity losses	perform annual audits on technical and non-technical losses of electricity to ensure minimum electricity los	4	10	10	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure provision of adequate electricity supply to iym communities	2324.3.2.8	number of street lights retrofitted	replacement of hps bulbs with led bulbs in the following areas,cradock middelb	312	377	463	3	performance fully effective	100	2023-10-01	2024-06-30	86	... The contractor was appointed late in December for the duration of 6 months ending in June. The contractor started working in 3rd quarter and performed well, they had to accelerate performance in forth quarter so that we comply with the funder as the project was meant to be completed in June 2024	...	...
basic service delivery	to ensure effective planning and maintance of municipal infrastructure	2324.3.3.1	number of infrastructure maintenance plans upgraded		1	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.4	number of meters of road infrastructure paved	1. paving of joko street,phase 2 ward 9, 2. midros access road, phase 2 revier weg in ward 7 8, 3.chris hani street,phase 2 ward 2, 4. michausdal internal roads and stormwater control,phase 1. ward 4. 5. paving of raymond mhlaba street, by definition paving can include tar, interlocking	600	1500	1718	3	performance fully effective	100	2024-04-01	2024-06-30	218	The target for the financial year was 1500m.The contractor performed well and there were no disruptions that delayed the project, this resulted in the achievement of 1700m		

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				blocks and concrete surfaci												
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.6	number of highmast lights erected	high mast lights erected rosem	25	4	4	3	performance fully effective	100	2024-04-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.7	percentage expenditure on mig funds	percentage expenditure on mig fu	100	100	100	3	performance fully effective	100	2023-07-01	2024-06-30	0			
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.8	number of iym facilities refurbished	refurbishment of depalidated cradock sports facili	1	1	0	1	unacceptable performance	33.33	2024-04-01	2024-06-30	-1	The non performance is due to us having some challenges in getting a specialized sub contractor for the re- topping of the athletic synthetic track. All respondent service providers could not submit their references	Facilities that are not refurbished may not meet current safety standards or accessibility requirements, potentially leading to compliance issues and safety concerns	The contractor managed to obtained a suitable sub-contractor and the project is planned for completion at the end of the 1st quarter , 30 September 2024
basic service delivery	to ensure effective construction and maintenance of municipal infrastructure	2324.3.4.9	number of meters of cradock streets rehabilitated	the kpi measures the number of meters of streets resealed or rehabilitated. The following streets cawood and sprigg street are consider	0	1500	1500	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPI PERFORMANCE – IPED Department

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
local economic development	to support the establishment of smmes	2324.4.3.5	number of smme capacitation training workshops/seminars conducted	conduct training workshops and seminars for sm	5	8	12	4	performance significantly above expectations	133.33	2023-07-01	2024-06-30	4	... ... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ...	... ...
local economic development	to support the establishment of smmes	2324.4.3.7	number of business licenses approved	approve business licenses for operating busines	20	25	0	1	unacceptable performance	33.33	2023-07-01	2024-06-30	-25	The non performance was due to Non compliance of establishments with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and co operating departments within IYM and other organs of state e.g Home Affairs and CHDM health inspectors	Operating without the necessary licenses can result in significant fines and penalties imposed by regulatory authorities.	IYM will draw up a legal document that will be distributed to all business by the end of August 2024
local economic development	to implement tourism and heritage management plan	2324.4.4.7	number of tourism awareness campaigns conducted	awareness campaigns focusing on tourism mo	4	4	4	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPI PERFORMANCE – Corporate Services Department

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
institutional development and transformation	to provide human resources support to all directorates in the municipality	2324.5.1.1	number of reports on implementation of human resource policy programmes	report on hr related activities recruitment, jd writing	1	3	3	3	performance fully effective	100	2023-10-01	2024-06-30	0			
institutional development and transformation	to provide appropriate human resource to support all directorates in the municipality	2324.5.1.2	number of local labour forum meetings convened	convene llf meeti	7	4	3	2	performance not fully effective	66.67	2023-07-01	2024-06-30	-1	... ... The Local labour forum had scheduled one meeting for the quarter but due to many items which it had to attend to, it ended not seating the meeting	... ... there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace conditions, wage disputes, or employment policies	... ... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice
institutional development and transformation	to improve institutional ict capacity	2324.5.2.5	number of ict projects implemented	q4- establish ict disaster recovery site r1,200,000; cradock server room upgrade installation of bio metric system, fire detector and fire suppressors for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement pl	2	4	0	1	unacceptable performance	33.33	2023-10-01	2024-06-30	-4	A problem with the specification that the ICT office prepared is the reason for the delay.The specification for all projects was submitted to SCM on June 10,2024	ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025
institutional development and transformation	to ensure knowledge dissemination and compliance with occupational health and safety regulations	2324.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	q1 inspections e.g. physical, chemical biological targetting technical service this is to catch up from prior year which was missed in q3 q2 issuing of ppe technical, community, iped, q4 medical screening for waste and electrical	1	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
				department secti												
institutional development and transformation	to create work environment in which employees are adequately informed and educated on their well-being	2324.5.5.3	number of employee assistance policy programmes implemented	report on the programmes on staff psychosocial support substance abuse, wellness psychological, socio-economic physical works	2	2	2	3	performance fully effective	100	2023-10-01	2024-06-30	0			
good governance and public participation	to ensure an effective municipal governance in line with applicable legislation	2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentation relating to new/ amended policies strategies, and byl	20	20	51	5	oustanding performance	166.67	2024-04-01	2024-06-30	31	Over performance was due to streamlined processes and focused efforts which lead to the efficient development and review of numerous policies and strategies		
institutional development and transformation	institutional development	2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills au	60	40	139	5	oustanding performance	166.67	2023-07-01	2024-06-30	99	... the over performance is due to the fact that 70 of our general workers were given a busary for their training with Konwaba Training Institute	...	...

KPI PERFORMANCE – Municipal Managers Office

Performance_OMM

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
good governance and public participation	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	2324.6.1.1	number of internal audit programmes executed by financial year end	implementation various audit programmes by year	18	18	18	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.2.2	number of strategic and operational risk registers reviewed and monitored	review and monitor the strategic risk register and operational risk register every quar	0	2	2	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	implementation of public service anti-corruption and fraud prevention pl	0	1	1	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	2324.6.4.1	number of formal performance evaluations for section 56/57 conducted		2	2	2	3	performance fully effective	100	2024-01-01	2024-06-30	0			
good governance and public participation	to ensure effective performance management	2324.6.5.3	number of institutional strategic documents developed and submitted to council for approval		2	2	2	3	performance fully effective	100	2024-04-01	2024-06-30	0			
institutional development and transformation	to streamline special programs by ensuring functionality of all special programmes structures	2324.6.5.4	number of spu strategy programs implemented	implement the approved special programmes strategy. implement the approved special programmes strat	3	3	3	3	performance fully effective	100	2023-07-01	2024-06-30	0			
good governance and public participation	to promote public accountability	2324.6.6.1	number of municipal public accounts meetings held	convene mpac meetings. only legislature meetings will be measured 1 per quar	4	4	5	3	performance fully effective	100	2023-07-01	2024-06-30	1	... .. This is to confirm that the Municipal Public Accounts Committee conducted five meetings for the financial year of 203/24.This indicates the over performance by MPAC, because the	... ..	... ..

KPA	Dev Objective	KpiCode	KPI Description	Activities	Baseline	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Start Date	End Date	Variance	Variance Reason	Variance Impact	Remedies
														committees first meeting in quarter three was addressing the issues pertaining oversight report on the annual report and the second one was with the provincial treasury to address the reduction of the UIFWE in the municipality		
good governance and public participation	to improve community participation in the affairs of the municipality	2324.6.7.4	number of public participation strategy programmes implemented	the programmes are as directed by the executive mayor and the speaker. the reports should be signed by the office bearer of the mm. the 5 programmes are: - initiation x 2 one in june and other in december repoerted in q1 and q2 -mrm moral regeneration movement - woman caucus - war rooms these take place throuout the y	5	5	5	3	performance fully effective	100	2023-07-01	2024-06-30	0			

RECOMMENDATIONS ON PERFORMANCE

KPA	KpiCode	KPI Description	Activities	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies	Recommendations
financial viability and management	2324.1.1.1	percentage of creditors paid within 30 days	payment of creditors within 30 days. age-analysis from system and submitted invoi	100	68.75	2	performance not fully effective	66.67	-31.25	... ... The municipality is facing financial constraints,due to low revenue collection	... ... Low service delivery. Inability to pay creditors within 30 days will lead to Fruitless expenditure as interest will be charged	... ... The municipality has a developed an revenue enhancement strategy to be implemented in 2024/25 in the first Quarter.IYM has developed payment schedule in Q1 24/25 that prioritizes invoices based on due dates and available cash. Submit the payment schedule to the CFO to prioritize all payments not made within 30 days	The municipality must constantly review the revenue enhancement strategy after each implementation in 2024/25. Goals and targets must be clearly defined with stakeholders and drivers held accountable
basic service delivery	2324.2.5.3	number of law enforcement fines issued	do law enforcement. identify problem areas. operational plans. warrants of arre	1443	2003	4	performance significantly above expectations	133.33	560	... ... The performance is event driven and very little control on the side of the traffic department	... ... Imprvred road safety. Increased income revenues	... ... It has been suggested by members of the audit committee that this KPI is removed from the strategic objectives and rather be placed in the operational performance	This KPI is event driven. It has been suggested that it is removed in the mid term adjustment of the SDBIP of 2024 2025
basic service delivery	2324.2.5.5	number of vehicle testing stations purchased		1	0	1	unacceptable performance	33.33	-1	The tender was advertised in the Daily Dispatch newspaper which resulted in one bidder . However based on market research, the response was above the RFQ	will result in an increase in unsafe vehicles on the road.	The tender will be re advertised in the first quarter of 2024 2025 financial year	If the submissions remain at 1 bidder in the next bid and over the RFQ threshold, the municipality

										threshold			can consider it being a specialised item and follow SCM procedures to nominate a supplier
basic service delivery	2324.3.4.8	number of iym facilities refurbished	refurbishment of depalidated cradock sports facili	1	0	1	unacceptable performance	33.33	-1	The non performance is due to us having some challenges in getting a specialized sub contractor for the re- topping of the athletic synthetic track. All respondent service providers could not submit their references	Facilities that are not refurbished may not meet current safety standards or accessibility requirements, potentially leading to compliance issues and safety concerns	The contractor managed to obtained a suitable sub-contractor and the project is planned for completion at the end of the 1st quarter , 30 September 2024	The sub contractor should be monitored so as to make sure that the the athletic synthetic track is completed
local economic development	2324.4.3.5	number of smme capacitation training workshops/ seminars conducted	conduct training workshops and seminars for sm	8	12	4	performance significantly above expectations	133.33	4	... ... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ...	... ...	Targets should be revised so that over achievement is within acceptable norms and the collaboration of other sector departments is incorporated.
local economic development	2324.4.3.7	number of business licenses approved	approve business licenses for operating busines	25	0	1	unacceptable performance	33.33	-25	The non performance was due to Non compliance of establishments with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and co operating departments within IYM and other organs of state e.g Home Affairs and CHDM health inspectors	Operating without the necessary licenses can result in significant fines and penalties imposed by regulatory authorities.	IYM will draw up a legal document that will be distributed to all business by the end of August 2024	The matters should be resolved urgently with CHDM. It might ned to be put aside until 2025 2026 until the current issues are resolved
institutional development and transformation	2324.5.1.2	number of local labour forum meetings convened	convene llf meeti	4	3	2	performance not fully effective	66.67	-1	... ... The Local labour forum had scheduled one meeting for the quarter but due to many items which it had to attend to, it ended not seating the	... ... there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace	... ... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice	The LLF should sit frequently and commit to the suggested dates

										meeting	conditions, wage disputes, or employment policies		
institutional development and transformation	2324.5.2.5	number of ict projects implemented	q4- establish ict disaster recovery site r1,200,000; cradock server room upgrade installation of bio metric system, fire detector and fire suppressors for r500,000 ict help desk system q4 for r300 000 and procurement of office 365 licenses r500,000 note could not be completed in 2022 2023 as was not in procurement pl	4	0	1	unacceptable performance	33.33	-4	A problem with the specification that the ICT office prepared is the reason for the delay.The specification for all projects was submitted to SCM on June 10,2024	ICT projects typically aim to enhance operational efficiency, streamline processes, or improve productivity. Under performance delays or prevents these benefits from being realized	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the implementation of these projects will be in Q2 2024/2025	The ict orjects have fromp year to year stalled. An experienced service provider should be appointed in order to draw up specifications in line with current trends.
good governance and public participation	2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	compilation and submission of documentatio n relating to new/ amended policies strategies, and byl	20	51	5	oustanding performance	166.67	31	Over performance was due to streamlined processes and focused efforts which lead to the efficient development and review of numerous policies and strategies			Targets should be revised to properly plan for the realistic target
institutional development and transformation	2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	training based on skills au	40	139	5	oustanding performance	166.67	99	... the over performance is due to the fact that 70 of our general workers were given a busary for their training with Konwaba Training Institute	...	...	Targets should be revised to properly plan for the realistic target

PERFORMANCE RATING OF CONSULTANTS

CONTRACT NUMBER	RESPONSIBLTY	START & END DATE	TYPE OF SERVICE	QUALITY OF THE SERVICE	[2022 2023 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2022 2023 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] RATING OF SERVICE PROVIDERS/CONTRACTORS	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	MEASURES TO IMPROVE POOR PERFORMANCE	RATED BY
IYM01/07/2022 T	Qumisani Shoyisa	2 Dec 2022- 30 Jul 2024	Monitor the rehabilitation of landfill sites	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Majiba
IYM04/04/2021 T	Response Ngoveni	1 Nov 2021- 30 Oct 2024	Operation and maintenance of Middelburg and Cradock landfill sites	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Majiba
	William Makasa	Aug 2020 Aug 2023 May 2024	Performance Management	Good	4- good	Yes	Good	Yes	yes	N/A	B Serobebe
	Mr Sithole	30 Jul 2019- 30 Jul 2024	Supply of PPE	Fair	Fair	Yes	Good	Yes	Yes	N/A	S. Notwala
	James Mapute	1 May 2023- 30 April 2024	Buisness skills for unemployed youth	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Notwala
IYM01/02/2022 T	Thato Moloto	22 Jul 2022- 21 Jul 2025	Supply, delivery,offloading,install and maintenance of telecommunications solution.	Good	4- good	Yes	Good	Yes	yes	N/A	S Myeni
IYM05/04/2021 IT	Abraham Monare	31/05/2021-30 May 2024	Supply and delivery of data backup and recovery	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
IYM01/11/2022 T	Deby Styler	15 Dec 2022- 15 Dec 2025	Lease of printers	Fair	4- good	No	Good	Yes	yes	N/A	S Myeni
IYM03/04/2021 T	Jacob Thepa	23 Sept 2021- 30 Sept 2024	Supply and delivery of network infrastructure	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
IYM04/04/2021 T	Abraham Monare	08 Oct 2021- 31 Oct 2024	Supply,delivery,offload,pistel and maintenance service	Fair	3- Fair	No	Good	Yes	yes	N/A	S Myeni
	Mr Ranta	17 Aug 2022- 30 Sept 2023	Resealing of IYM roads in Cradock Phase 3	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Nomandela
	Mr Machanza	03 Mar 2021- 30 Jun 2023	Installation of High Mast in Lusaka and Midros	Good	4- good	Yes	Good	Yes	Yes	N/A	S. Nomandela
	Mr Tewo	29 Jan 2020- 12 Dec 2022	Construction of Lingelihle community hall	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe
	Mr Saleni	16 Oct 2021- 03 Oct 2023	Upgrading of municipal farm commonages	Good	4- good	Yes	Good	Yes	Yes	N/A	N. Makwabe
	Mr Muofhe	08 Aug 2022- 31 Oct 2023	Paving of Chris Hani and Ekuthuleni Ward 2	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe
	Mrs Rachel	08 Aug 2022- 31 Oct 2023	Paving of Midros Access Raod	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe
	Mr Z.D Ranta	08 Aug 2022- 19 Apr 2023	Paving of Joko Avenue	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe
	Lwarence Mkhize	01 Jul 2022- 30	EEDSM Streetlight retrofit	Fair	2 -Poor	No	Fair	Yes	yes	N/A	L. Kelembe

CONTRACT NUMBER	RESPONSIBILTY	START & END DATE	TYPE OF SERVICE	QUALITY OF THE SERVICE	[2022 2023 FY] RATING OF SERVICE PROVIDERS/CON TRACTORS	[2022 2023 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] RATING OF SERVICE PROVIDERS/CON TRACTORS	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	[2023 2024 FY] WAS THE WORK COMPLETED TO YOUR SATISFACTION	MEASURES TO IMPROVE POOR PERFORMANCE	RATED BY
		Jun 2023									
	Siyabonga Mba	01 Jul 2022- 30 Jun 2023	EEDSM Streetlight retrofit	Good	4- good	Yes	Good	Yes	Yes	N/A	L. Kelembe

RESULTS
Level Terminology Color Code
5- Very Good
4- Good
3- Fair
2 -Poor
1- Very Poor

FINANCIAL PERFORMANCE

Report on Work In Progress

Sum of Exclusive Amount	FY						STATUS	
Row Labels	2021	2022	2023	2024	(empty)	Total Result	Comment on Completion	
Commonages Infrastructure Upgrade				-R468,527.40		-R468,527.40	Contractor had financial challenges, currently completing outstanding works (Snag)	
Paving of Chris Hani Street and Storm Water Control				-R246,328.24		-R246,328.24	At Design Stage	
Paving of Joko Avenue Storm Water Control				-R3,468,186.86		-R3,468,186.86	Complete	
Paving of Michausdal Access Roads Storm Water Control	-R358,921.27			-R784,982.05		-R1,143,903.32	Construction in Progress, Started in August 2024	
Rehabilitation of Sikulu Street				-R6,906,537.84		-R6,906,537.84	Construction in Progrss, Completion Envisaged: 30 October 2024	
Upgrading of Cradock Landfill Site			-R614,767.52	-R6,994,980.62		-R7,609,748.14	Not Under PMU	
(empty)			-R-			-R-		
Upgrading of Cradock Sports Field Ward 5				-R6,490,433.48		-R6,490,433.48	Construction in Progress, Had challenges with sourcing Athletic Track Specialised Sub-Contractor: Currently Awaiting Materials	
Rehabilitation / resealing of roads at IYM Cradock phase 3			-R20,897,751.69			-R20,897,751.69	Complete	
Paving of Raymond Mhlaba Street Ward 6				-R686,624.53		-R686,624.53	Construction in Progress, Started in June 2024	
Paving of Makwemba Street Ward 3 Cradock				-R188,114.98		-R188,114.98	Complete	
Cradock MV Line				-R1,554,614.50		-R1,554,614.50	Not Under PMU	
Emergency Work in Mugalsdal / Bergsig			-R435,720.00			-R435,720.00	Not Under PMU	
Construction of Cattle Custom Feed			-R622,676.54	-R1,722,509.57		-R2,345,186.10	Not Under PMU	
DESIGN OF MV AND LV DISTRIBUTION NETWORKS-ROSEMEAD AND LUSAKA PHASE 2	-R1,987,317.63	-R378,584.00	-R1,096,780.00			-R3,462,681.63	Not Under PMU	
Design. Supervision and Momitoring of Various Roads in Cradock	-R2,604,626.58	-R3,671,076.77				-R6,275,703.35	Complete	
PAVING OF MIDROS ACCESS RIVER ROAD IN MIDDELBURG			-R11,072,845.59	-R3,764,923.81		-R14,837,769.40	Complete	
PAVING OF CHRIS HANI & EKUTHULENI STREET			-R5,374,677.72	-R3,921,167.30		-R9,295,845.01	Construction in Progress, Contractor had Financial Challenges	
supervision and monitoring of EEDSM project			-R4,221,792.52	-R360,000.00		-R4,581,792.52	Complete	
Design. Supervision and Momitoring of Various Roads in Middelburg	-R2,430,070.06	-R4,152,864.36				-R6,582,934.42	Complete	
Rehabilitation/Resealing of Roads (Middelburg) Phase 1	-R589,500.27					-R589,500.27	Complete	
Supply, Delivery and Installation of LED Luminaries to meet EEDSM for Cradock and Middleburg				-R3,987,825.91		-R3,987,825.91	Complete	
Installation of high mast lights in rosemead Middleburg				-R3,604,689.62		-R3,604,689.62	Complete	
Total Result	-R7,970,435.81	-R8,202,525.13	-R44,337,011.58	-R45,150,446.71		-R105,660,419.23		

EXPENDITURE ON KPIS

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
2324.1.1.1	percentage of creditors paid within 30 days	to implement proper expenditure management in compliance with legislation	10	financial viability and management	N/A						
2324.1.2.4	percentage monthly collection rate	to increase the amount of revenue collected annually	10	financial viability and management	N/A						
2324.1.3.4	number of scm reports on the implementation of supply chain management policy submitted to council	to implement proper supply chain protocols in compliance with the mfma legislation	10	financial viability and management	N/A						
2324.1.3.5	number of procurement plans submitted to council for approval	to implement proper supply chain protocols in compliance with the mfma legislation	10	financial viability and management	N/A						
2324.1.4.2	number of financial reports submitted	to improve compliance and adherence to legislation	10	financial viability and management	N/A						
2324.1.4.7	percentage of submission of information requested by ag	to improve compliance and adherence to legislation	10	good governance and public participation	N/A						
2324.1.4.8	number of revisions to the indigent register	to provide support to indigent beneficiaries in line with the indigent policy	10	basic service delivery	2,619,000		515,027	345,058	826,792	873,000	1,686,877
2324.1.4.9	number of revisions to the audit action plan	to ensure effective audit and corporate governance function that will result in improved compliance and clean administration	10	basic service delivery	-						
2324.2.1.2	number of solid waste programmes implemented	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.2.10.1	number of work opportunities created through public employment programmes	to improve local economic development	10	local economic development	2,050,000	1,526,805	523,195			1,025,000	2,050,000
2324.2.12.1	number of waste management	to promote a clean	10	basic service	5,000,000			4,821,529			4,821,529

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
	machineries purchased	and safe environment		delivery							
2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high school scholars	to improve literacy levels	10	basic service delivery	80,000	23,820	32,380	116,490	18,150	20,000	190,840
2324.2.5.3	number of law enforcement fines issued	to contribute in community safety programmes within the municipalarea	10	basic service delivery	181,112	99,650	7,000	11,600	3,712,400	45,278	3,830,650
2324.2.5.5	number of vehicle testing stations purchased	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.2.7.8	number of environmental management campaigns conducted	to promote a clean and safe environment	10	basic service delivery	N/A						
2324.3.2.1	number of actions undertaken to reduce electricity losses	to ensure provision of adequate electricity supply to iym communities	10	basic service delivery	N/A						
2324.3.2.8	number of street lights retrofitted	to ensure provision of adequate electricity supply to iym communities	10	basic service delivery	5,000,000	-	3,411,541	-	1,588,459		
2324.3.3.1	number of infrastructure maintenance plans upgraded	to ensure effective planning and maintance of municipal infrastructure	10	basic service delivery	2,824,923	1,030,692	1,754,927	1,218,850	-		
2324.3.4.4	number of meters of road infrastructure paved	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery	24,658,000	8,864,160	8,011,546	3,490,187	4,292,107		24,658,000
2324.3.4.6	number of highmast lights erected	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery							
2324.3.4.7	percentage expenditure on mig funds	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery	24,658,000	8,864,160	8,011,546	3,490,187	4,292,107	6,164,500	24,658,000
2324.3.4.8	number of iym facilities refurbished	to ensure effective construction and maintenance of municipal infrastructure	10	basic service delivery							
2324.3.4.9	number of meters of cradock	to ensure effective	10	basic service							

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
	streets rehabilitated	construction and maintenance of municipal infrastructure		delivery							
2324.4.3.5	number of smme capacitation training workshops/ seminars conducted	to support the establishment of smmes	10	local economic development	32,916	8,000			16,800	16,458	24,800
2324.4.3.7	number of business licenses approved	to support the establishment of smmes	10	local economic development	N/A						
2324.4.4.7	number of tourism awareness campaigns conducted	to implement tourism and heritage management plan	10	local economic development	130,287	27,000	177,680			65,144	204,680
2324.5.1.1	number of reports on implementation of human resource policy programmes	to provide human resources support to all directorates in the municipality	10	institutional development and transformation	N/A						
2324.5.1.2	number of local labour forum meetings convened	to provide appropriate human resource to support all directorates in the municipality	10	institutional development and transformation	N/A						
2324.5.2.5	number of ict projects implemented	to improve institutional ict capacity	10	institutional development and transformation							
2324.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	to ensure knowledge dissemination and compliance with occupational health and safety regulations	10	institutional development and transformation	676,792	1,055,329	5,265	1,095,166	1,075,358	225,597	3,231,118
2324.5.5.3	number of employee assistance policy programmes implemented	to create work environment in which employees are adequately informed and educated on their well-being	10	institutional development and transformation	N/A						
2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	to ensure an effective municipal governance in line with applicable legislation	10	good governance and public participation	N/A						
2324.5.8.2	number of officials and councillors trained as per the approved workplace skills plan	institutional development	10	institutional development and transformation	116,000				116,000		
2324.6.1.1	number of internal audit programmes executed by financial year end	to ensure effective audit and corporate governance function	10	good governance and public	152,100	151,476	141,600	144,123	268,817	38,025	706,016

KPI Code	KPI Description	DO	KPI Ranking	Org KPA	Budget	Q1	Q2	Q3	Q4	Budget divided	Total expenditure for the year
						Expenditure					
		that will result in improved compliance and clean administration		participation							
2324.6.2.2	number of strategic and operational risk registers reviewed and monitored	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	10	good governance and public participation	100,000						
2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	to ensure that the municipality operates free of anticipated risk of maladministration, fraud and corruption	10	good governance and public participation	N/A						
2324.6.4.1	number of formal performance evaluations for section 56/57 conducted	to ensure effective performance management	10	institutional development and transformation	1,994,088		1,285,274	1,621,215	456,477	997,044	3,362,967
2324.6.5.3	number of institutional strategic documents developed and submitted to council for approval	to ensure effective performance management	10	institutional development and transformation	3,000,000	2,467,080		1 500 600			2,467,080
2324.6.5.4	number of spu strategy programs implemented	to streamline special programs by ensuring functionality of all special programmes structures	10	good governance and public participation	1,005,500	746,462	1,158,927	52,389	1,040,077	335,167	2,997,855
2324.6.6.1	number of municipal public accounts meetings held	to promote public accountability	10	good governance and public participation	50,000	15,800		34,450	113,349	16,666	163,599
2324.6.7.4	number of public participation strategy programmes implemented	to improve community participation in the affairs of the municipality	10	good governance and public participation	557,706	225,522	430,000	100,000		185,902	755,522

Statement of Operating Revenue & Expenditure at the end of Quarter 4 as at 30 June 2024

The report below is based on Section 52 D report

Description								Comment
	Original Budget 2023-24 FY	Q1	Q2	Q3	Q4	Available Budget	Percentage %	
<u>Revenue</u>								
Exchange Revenue								
Service charges - Electricity	179 689 366	34 046 301	32 161 690	31 800 523	31 896 563	49 784 289	72%	N1
Service charges - Waste management	39 837 411	7 762 288	7 586 683	7 023 172	6 158 930	11 306 338	72%	N2
Sale of Goods and Rendering of Services	1 978 629	327 345	225 022	253 365	329 165	843 732	57%	N3
Agency services	2 486 889	66 000	60 000	87 005	94 965	2 178 919	12%	N4
Interest earned from Receivables	39 134 614	3 846 455	4 039 840	4 269 581	4 166 022	22 812 716	42%	N5
Interest from Current and Non-Current Assets	1 719 873	96 069	63 731	59 035	22 739	1 478 299	14%	
Rental from Fixed Assets	1 887 566	434 516	451 828	324 438	388 335	288 449	85%	
Licence and permits	57 564	783	13 608	-	391	42 782	26%	N6
Operational Revenue	359 751	35 398	18 358	639 987	1 020 667	- 1 354 665	477%	N7
Non-Exchange Revenue								
Property rates	52 657 002	41 860 934	6 115	185 545	24 552 467	- 13 948 059	126%	

Description								
	Original Budget 2023-24 FY	Q1	Q2	Q3	Q4	Available Budget	Percentage %	Comment
Fines, penalties and forfeits	349 740	105 461	18 157	27 915	29 860	168 347	52%	
Licence and permits	4 577 393	789 867	701 312	775 697	1 134 743	1 175 774	74%	N8
Transfers and subsidies - Operational	62 911 900	24 297 113	22 275 019	14 926 846	1 662 924	- 250 002	100%	
Interest	5 500 000	3 042 706	3 231 790	3 284 373	3 202 842	- 7 261 711	232%	
Gains on disposal of Assets	11 100 000		45 517	23 154	756	11 030 573	1%	N9
Total Revenue	404 247 698	117 171 588	70 898 670	63 680 636	75 453 180	78 295 781	81%	
<u>Expenditure By Type</u>								
Employee related costs	111 031 964	30 535 991	29 995 948	29 845 077	30 233 156	- 9 578 208	109%	
Remuneration of councillors	9 126 336	1 979 031	2 455 896	2 057 802	2 072 565	561 042	94%	
Bulk purchases - electricity	65 000 000	4 500 000	5 400 000	7 500 000	1 000 000	46 600 000	28%	N10
Inventory consumed	12 527 260	1 911 143	2 178 186	778 224	2 414 956	5 244 751	58%	N11
Debt impairment	50 763 024	-	-	-	-	50 763 024	0%	N12
Depreciation and amortisation	76 404 477	-	-	-	-	76 404 477	0%	N13
Interest	14 500 000	6 500 000	4 686 826	2 676 207	5 012 985	- 4 376 018	130%	N14
Contracted services	27 174 500	5 109 705	7 054 593	9 647 807	11 066 814	- 5 704 419	121%	
Transfers and subsidies	1 306 000	390 864	124 163	345 058	774 258	- 328 343	125%	N15

Description								
	Original Budget 2023-24 FY	Q1	Q2	Q3	Q4	Available Budget	Percentage %	Comment
Operational costs	34 000 000	15 170 047	14 371 270	7 304 558	21 686 564	- 24 532 439	172%	
Total Expenditure	401 833 561	66 266 882	60 154 733	60 154 733	59 624 348	135 053 867	66%	
Surplus/(Deficit)	2 414 137	4 631 788	3 525 903	6 525 903	15 828 832	- 56 758 086		

GRANTS FUNDED PROJECTS

Description	Allocation	Received to date	June Expenditure	Expenditure to date	Balance	Percentage
MIG	24 658 000	24 658 000	2 555 362	24 658 000	-	100%
MDRG	11 233 000	11 233 000	5 538 467	7 942 519	3 290 481	71%
EEDSM	5 000 000	5 000 000	733 744	5 000 000	-	100%

No.	Description	Material Variance Reason(s)
	REVENUE	
N1	Electricity Revenue	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory.

No.	Description	Material Variance Reason(s)
		<ul style="list-style-type: none"> The 33% collection under this line item is not satisfactory. The low collection on electricity is caused by the following factors- electricity theft-illegal connects Another factor is huge electricity losses There is need for change of old electricity meter boxes- the old boxes are contributing a lot to electricity losses. Business that are the biggest culprits when it comes to stealing of electricity. Challenge on mechanical faults of municipal bakkies and trucks affect revenue collection since we using one bakkie for cutting and fixing customer issues- faulty meters. The rollout of STS program will assist the municipality in addressing the losses issue. There has been improvement on CHDM account. The district is paying all their bulk account. Plans are in pass in improving the performance as we are cutting on weekly basis. Demand letters are sent to all the business and organs of state that owe the municipality.
N2	Refuse removal	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory. The 39% collection under this line item is not satisfactory. Demand letters are sent to all the business and organs of state, Businesses and residents that are owing the municipality.
N3	Sale of goods and rendering of services	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory.
N4	Interest earned from Receivables	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory.
N5	Licence & Permits (Exchange Revenue)	<ul style="list-style-type: none"> Performance on this line item exceeded expectation.
N6	Operational Revenue	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory.
N7	Licences and Permits	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory.
N9	Bulk Purchase	<ul style="list-style-type: none"> Municipality was paying bulk Eskom Account based on the court order agreement. IYM Debt relief application has been approved 1st November 2023. The bulk budgeted amount will surely need adjustment since we are expected to pay current account without any

No.	Description	Material Variance Reason(s)
		<p>negotiation.</p> <ul style="list-style-type: none"> The approval of debt relief application is game changer and that means as the municipality we must up our game in terms of our level of collection.
N10	Inventory Consumed	<ul style="list-style-type: none"> Performance on this line item is below the 50% and that is not satisfactory. The will be improvement on this line items since are renovating our municipal buildings.
N11	Debt Impairment	<ul style="list-style-type: none"> There is no movement & is part of year-end processes
N12	Depreciation & asset impairment	<ul style="list-style-type: none"> There is no movement & is part of year-end processes. The asset management and PMS function is outsourced. Asset register is not incorporated in our financial system hence there is no movement. R-data who is our financial system vendor is busy with that exercise. We will only see progress on this line item towards the end of last Quarter.
N13	Interest	<ul style="list-style-type: none"> Interest has increased due to the high Eskom account debt and late payment of creditors such as Auditor General. Those are invoices that are processed in our accounting system.
N14	Transfers and subsidies	<ul style="list-style-type: none"> The number of beneficiaries on indigent register will increase as soon as all incomplete forms are completed. Communication from the office MMC BTO was sent to all ward committee on all incomplete application forms. As soon as that exercise is complete, creditable and accurate asset register will be processed.

DIFFERENCES IN INFORMATION BETWEEN PRIOR YEAR AND CURRENT

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	KPA	KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	Variance Reason	Variance Impact	Remedies
2223.1.2. 4	total municipal own revenue as a percentage of the total actual budget of 80 percent cogta	80	68		performan ce not fully effective	66.67	-12	financial viability and managemen t	2324.1.2. 4	percentage monthly collection rate	80	100		performan ce fully effective	100	20	... .. We over performed due to effective collection campaigns and strategies, such as reminder emails, calls, and special collection initiatives, has improve collection rates.Policy roadshows were conducted with all wards and Debt incentive policy notices were issued	... ..	... ..
2223.1.3. 4	number of scm reports on the implementati on of supply chain management policy submitted to council	4	4		performan ce fully effective	100	0	basic service delivery	2324.1.3. 4	number of scm reports on the implementati on of supply chain management policy submitted to council	4	4		performan ce fully effective	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
2223.1.3.5	number of procurement plans submitted to council for approval	2	2	3	performance fully effective	100	0	basic service delivery	2324.1.3.5	number of procurement plans submitted to council for approval	2	2	3	performance fully effective	100	0			
2223.1.4.2	number of compliant s71 reports submitted to the executive mayor and treasury	12	12	3	performance fully effective	100	0	financial viability and management	2324.1.4.2	number of financial reports submitted	19	19	3	performance fully effective	100	0			
2223.1.4.7	percentage of submission of information requested by ag	100	100	3	performance fully effective	100	0	financial viability and management	2324.1.4.7	percentage of submission of information requested by ag	100	100	3	performance fully effective	100	0			
2223.2.10.1	number of work opportunities created through public employment programmes	150	224	4	performance significantly above expectations	133.33	74	local economic development	2324.2.10.1	number of work opportunities created through public employment programmes	224	288	3	performance fully effective	100	64	The over performance is due to the EPWP graduates, their contracts are still continuing until the end of March 2024		
2223.2.1.2	number of solid waste programmes implemented	4	4	3	performance fully effective	100	0	basic service delivery	2324.2.1.2	number of solid waste programmes implemented	2	2	3	performance fully effective	100	0			
2223.2.3.5	number of awareness and educational programmes facilitated for ecd, primary and high school scholars	4	4	3	performance fully effective	100	0	basic service delivery	2324.2.3.5	number of library awareness campaigns and educational programmes facilitated for ecd, primary and high	4	4	3	performance fully effective	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
										school scholars									
2223.2.5.3	number of law enforcement fines issued	400	1720	5	oustanding performance	166.67	1320	basic service delivery	2324.2.5.3	number of law enforcement fines issued	1443	2003	4	performan ce significantl y above expectatio ns	133.33	560	... .. The performance is event driven and very little control on the side of the traffic department	... ..	... ..
2223.2.7.8	number of environmental management campaigns conducted	4	8	5	oustanding performance	166.67	4	basic service delivery	2324.2.7.8	number of environmental management campaigns conducted	12	14	3	performan ce fully effective	100	2	... .. We over performed because we had unplanned events that was brought to Community services by CHDM and DEDEAT on schools and at Middelburg landfill sites. And another event for Cradock from CHDM and DEDEAT 18th April 2024,Carinus Primary School, Cradock and 25th June 2024 Lusaka Community Hall, Middelburg	... ..	... ..
2223.3.2.1	number of actions	4	4	3	performan ce fully	100	0	basic service delivery	2324.3.2.1	number of actions	10	10	3	performan ce fully	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
	undertaken to reduce electricity losses				effective					undertaken to reduce electricity losses				effective					
2223.3.2.8	number of streetlights retrofitted	377	312	2	performance not fully effective	66.67	-65	basic service delivery	2324.3.2.8	number of street lights retrofitted	377	463	3	performance fully effective	100	86	... The contractor was appointed late in December for the duration of 6 months ending in June. The contractor started working in 3rd quarter and performed well, they had to accelerate performance in forth quarter so that we comply with the funder as the project was meant to be completed in June 2024	...	...
2223.3.3.1	number of infrastructure maintenance plans upgraded	1	1	3	performance fully effective	100	0	basic service delivery	2324.3.3.1	number of infrastructure maintenance plans upgraded	1	1	3	performance fully effective	100	0			
2223.3.4.4	number of meters of road infrastructure paved	1500	600	1	unacceptable performance	33.33	-900	basic service delivery	2324.3.4.4	number of meters of road infrastructure paved	1500	1718	3	performance fully effective	100	218	The target for the financial year was 1500m.The		

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
																	contractor performed well and there were no disruptions that delayed the project, this resulted in the achievement of 1700m		
2223.3.4.6	number of highmast lights erected	25	25	3	performance fully effective	100	0	basic service delivery	2324.3.4.6	number of highmast lights erected	4	4	3	performance fully effective	100	0			
2223.3.4.7	percentage expenditure on mig funds	100	138	4	performance significantly above expectations	133.33	38	basic service delivery	2324.3.4.7	percentage expenditure on mig funds	100	100	3	performance fully effective	100	0			
2223.3.4.8	number of iym facilities refurbished	9	5	1	unacceptable performance	33.33	-4	basic service delivery	2324.3.4.8	number of iym facilities refurbished	1	0	1	unacceptable performance	33.33	-1	The non performance is due to us having some challenges in getting a specialized sub contractor for the re-topping of the athletic synthetic track. All respondent service providers could not submit their references	Facilities that are not refurbished may not meet current safety standards or accessibility requirements, potentially leading to compliance issues and safety concerns	The contractor managed to obtained a suitable sub-contractor and the project is planned for completion at the end of the 1st quarter , 30 September 2024
2223.3.4.9	percentage progress towards	70	70	3	performance fully effective	100	0	basic service delivery	2324.3.4.9	number of meters of cradock	1500	1500	3	performance fully effective	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	KPA	KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	Variance Reason	Variance Impact	Remedies
	rehabilitation of cradock streets									streets rehabilitated									
2223.4.3. 5	number of smme capacitation training workshops/ seminars conducted	4	5	3	performan ce fully effective	100	1	local economic developmen t	2324.4.3. 5	number of smme capacitation training workshops/ seminars conducted	8	12	4	performan ce significantl y above expectatio ns	133.33	4	... ... Partnering with industry associations, government agencies, or educational institutions has expanded outreach and resources hence the over performance	... ...	... ...
2223.4.3. 7	number of business licenses approved	100	20	1	unacceptab le performan ce	33.33	-80	local economic developmen t	2324.4.3. 7	number of business licenses approved	25	0	1	unacceptab le performan ce	33.33	-25	The non performance was due to Non compliance of establishme nts with CHDM health inspectors laws and regulations. Streamlining and improving turnaround time of applications by the section and co operating departments within IYM and other	Operating without the necessary licenses can result in significant fines and penalties imposed by regulatory authorities.	IYM will draw up a legal document that will be distributed to all business by the end of August 2024

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
																	organs of state e.g Home Affairs and CHDM health inspectors		
2223.4.4.7	number of tourism awareness campaigns conducted	4	4	3	performance fully effective	100	0	local economic development	2324.4.4.7	number of tourism awareness campaigns conducted	4	4	3	performance fully effective	100	0			
2223.5.1.1	number of reports on implementation of human resource policy programmes	3	1	1	unacceptable performance	33.33	-2	institutional development and transformation	2324.5.1.1	number of reports on implementation of human resource policy programmes	3	3	3	performance fully effective	100	0			
2223.5.1.2	number of local labour forum meetings convened	4	7	5	outstanding performance	166.67	3	institutional development and transformation	2324.5.1.2	number of local labour forum meetings convened	4	3	2	performance not fully effective	66.67	-1	... ... The Local labour forum had scheduled one meeting for the quarter but due to many items which it had to attend to, it ended not seating the meeting	... ... there may be fewer opportunities to address and resolve labor-related issues and conflicts, such as workplace conditions, wage disputes, or employment policies	... ... in the 1st quarter in the new financial year 24/25 by ensuring that the LLF seat twice
2223.5.2.5	number of ict projects implemented	7	2	1	unacceptable performance	33.33	-5	institutional development and transformation	2324.5.2.5	number of ict projects implemented	4	0	1	unacceptable performance	33.33	-4	A problem with the specification that the ICT office prepared is the reason for the	ICT projects typically aim to enhance operational efficiency, streamline processes,	These projects will be advertised in the current quarter, which is Q1 2024/2025, and the

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
																	delay.The specification for all projects was submitted to SCM on June 10,2024	or improve productivity . Under performance delays or prevents these benefits from being realized	implementation of these projects will be in Q2 2024/2025
2223.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	3	1	1	unacceptable performance	33.33	-2	institutional development and transformation	2324.5.4.1	number of occupational health and safety policy programmes implemented ppe provision, medical screening, health and safety inspections	3	3	3	performance fully effective	100	0			
2223.5.5.3	number of employee assistance policy programmes implemented	2	2	3	performance fully effective	100	0	institutional development and transformation	2324.5.5.3	number of employee assistance policy programmes implemented	2	2	3	performance fully effective	100	0			
2223.5.7.1	number of policies, strategies, bylaws developed and/reviewed	10	34	5	oustanding performance	166.67	24	good governance and public participation	2324.5.7.1	number of policies, strategies, bylaws developed and reviewed	20	51	5	oustanding performance	166.67	31	Over performance was due to streamlined processes and focused efforts which lead to the efficient development and review of numerous policies and strategies		
2223.5.8.	number of	10	60	5	oustanding	166.67	50	institutional	2324.5.8.	number of	40	139	5	oustanding	166.67	99	... the over	...	...

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
2	officials and councillors trained as per the approved workplace skills plan				performance			development and transformation	2	officials and councillors trained as per the approved workplace skills plan				performance			performance is due to the fact that 70 of our general workers were given a busary for their training with Konwaba Training Institute		
2223.6.1.1	number of internal audit programmes executed by financial year end	12	18	4	performance significantly above expectations	133.33	6	good governance and public participation	2324.6.1.1	number of internal audit programmes executed by financial year end	18	18	3	performance fully effective	100	0			
2223.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	2	0	1	unacceptable performance	33.33	-2	good governance and public participation	2324.6.3.1	number of anti-fraud and corruption prevention initiatives undertaken	1	1	3	performance fully effective	100	0			
2223.6.4.1	number of formal performance evaluations for section 56/57 conducted	2	2	3	performance fully effective	100	0	good governance and public participation	2324.6.4.1	number of formal performance evaluations for section 56/57 conducted	2	2	3	performance fully effective	100	0			
2223.6.5.3	number of institutional strategic documents developed and submitted to council for approval	2	2	3	performance fully effective	100	0	good governance and public participation	2324.6.5.3	number of institutional strategic documents developed and submitted to council for approval	2	2	3	performance fully effective	100	0			
2223.6.5.4	number of spu strategy	3	3	3	performance fully	100	0	institutional development	2324.6.5.4	number of spu strategy	3	3	3	performance fully	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	KPA	KpiCode	KPI Description	Performan ce Target	Achieved Performan ce	Rankin g	Ranking Descriptio n	Ranking Percenta ge	Varianc e	Variance Reason	Variance Impact	Remedies
	programs implemented				effective			t and transformati on		programs implemented				effective					
2223.6.6. 1	number of municipal public accounts meetings held	4	9	5	oustanding performan ce	166.67	5	good governance and public participation	2324.6.6. 1	number of municipal public accounts meetings held	4	5	3	performan ce fully effective	100	1	... ... This is to confirm that the Municipal Public Accounts Committee conducted five meetings for the financial year of 203/24.This indicates the over performance by MPAC, because the committees first meeting in quarter three was addressing the issues pertaining oversight report on the annual report and the second one was with the provincial treasury to address the reduction of the UIFWE in the municipality	... ...	... ...
2223.6.7. 4	number of public participation	5	5	3	performan ce fully effective	100	0	good governance and public	2324.6.7. 4	number of public participation	5	5	3	performan ce fully effective	100	0			

2022 2023 Financial Year								2023 2024 Financial Year											
KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	KPA	KpiCode	KPI Description	Performance Target	Achieved Performance	Ranking	Ranking Description	Ranking Percentage	Variance	Variance Reason	Variance Impact	Remedies
	strategy programmes implemented							participation		strategy programmes implemented									

COGTA KPIs

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																		
EE1.11	Number of dwellings provided with connections to mains electricity supply by the municipality																	
EE1.11(1)	(1) Number of new residential supply points energised by the municipality																	
EE3.11	Percentage of unplanned outages that are restored to supply within industry standard timeframes				100%		100%		100%		100%							
EE3.11(1)	(1) Number of unplanned outages restored within x hours																	
EE3.11(2)	(2) Total number of unplanned outages																	
EE3.21	Percentage of planned maintenance performed		100%		100%		100%		100%		100%							

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/		Remedial action/	Reasons for no	Steps	Estimated		
						Planned 1st	Planned 2nd	Planned 3rd	Planned 3rd	4th Quarter/					4th Quarter/	Reason(s)	data, if	or to be	date
						output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Annual Planned performance	Annual Actual performance	Variation	variation performance	provided future	undertaken, when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
EE3.21(1)	(1) Actual number of maintenance 'jobs' for planned or preventative maintenance															
EE3.21(2)	(2) Budgeted number of maintenance 'jobs' for planned or preventative maintenance						66	66	66	66						
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed		114%													
TR6.12(1)	(1) Kilometres of municipal road lanes resurfaced and resealed										1.718					
TR6.12(2)	(2) Kilometres of surfaced municipal road lanes										1.5					
TR6.13	KMs of new municipal road network															
TR6.13(1)	(1) Number of kilometres of surfaced road network built															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial action/	Reasons for no	Steps or to be	Estimated date
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP							Planned 3rd output as per SDBIP	Annual performance	Annual Actual performance	Reason(s) for variation	Steps taken to improve performance	data, if not provided	undertaken, when data in the future	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
TR6.13(2)	(2) Number of kilometres of unsurfaced road network built													
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time													
TR6.21(1)	(1) Number of pothole complaints resolved within the standard time after being reported													
TR6.21(2)	(2) Number of potholes reported					80	80	80	80					
WS1.11	Number of new sewer connections meeting minimum standards													
WS1.11(1)	(1) Number of new sewer connections to consumer units													
WS1.11(2)	(2) Number of new sewer connections to communal toilet facilities.													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Annual	Annual	Reason(s)	Remedial action/Steps taken to improve performance	Reasons for no data, if provided	Steps undertaken, or to be undertaken, future data in the	Estimated date when data will be available
						Planned output as per SDBIP	Planned 1st Quarter output	Planned 2nd Quarter output as per SDBIP										Planned 3rd Quarter output as per SDBIP	Planned 3rd Quarter Actual output	Planned 4th Quarter/Annual performance	Planned 4th Quarter/Annual Actual performance
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
WS2.11	Number of new water connections meeting minimum standards																
WS2.11(1)	(1) Number of new water connections to piped (tap) water																
WS2.11(2)	(2) Number of new water connections to public/communal facilities.																
WS3.11	Percentage of callouts responded to within 48 hours (sanitation/wastewater)																
WS3.11(1)	(1) Number of callouts responded to within 48 hours (sanitation/wastewater)																
WS3.11(2)	(2) Total number of callouts (sanitation/wastewater)																
WS3.21	Percentage of callouts responded to within 48 hours (water)																

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Steps or to be undertaken, when data in the future	Estimated date when data will be available
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	4th Quarter/Annual Planned performance	4th Quarter/Annual Actual performance					
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
WS3.21(1)	(1) Number of callouts responded to within 48 hours (water)															
WS3.21(2)	(2) Total water service callouts received															
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents															
FD1.11(1)	(1) Number of structural fire incidents where the attendance time was 14 minutes or less															
FD1.11(2)	(2) Total number of distress calls for structural fire incidents received															
LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area															
LED1.11(1)	(1) R-value of operating															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated		
						Planned output as per SDBIP	Planned output as per SDBIP	Planned output as per SDBIP					Planned output as per SDBIP		Planned output as per SDBIP	action/	for no	or to be
						Actual output	Actual output	Actual output	Actual output	Annual performance	Annual performance	Reason(s) for variation	Steps taken to improve performance	data, if not provided	to provide data in the future	date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
LED1.11(2)	expenditure on contracted services within the municipal area															
	(2) Total municipal operating expenditure on contracted services															
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)															
LED1.21(1)	(1) Number of work opportunities provided by the municipality through the Expanded Public Works Programme															
	(2) Number of work opportunities provided through the Community Works Programme and other related infrastructure initiatives.															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Reasons or to be undertaken, when data in the future	Steps undertaken, Estimated date when data will be available		
						Planned output as per SDBIP	1st Quarter Actual output	Planned output as per SDBIP	2nd Quarter Actual output	Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/Annual Planned performance					4th Quarter/Annual Actual performance	
OUTPUT INDICATORS FOR QUARTERLY REPORTING																		
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services																	
LED2.12(1)	(1) R-value of operating budget expenditure on free basic services																	
LED2.12(2)	(2) Total operating budget for the municipality																	
LED3.11	Average time taken to finalise business license applications		3										0.12					
LED3.11(1)	(1) Sum of the total working days per business application finalised												3					
LED3.11(2)	(2) Number of business applications finalised												25					
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process																	

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reasons for no data, if not provided	Steps	Estimated	
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	4th Quarter/Annual Planned performance	4th Quarter/Annual Actual performance	Variation			or to be undertaken, when data in the future	date data will be available	
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
LED3.31(1)	(1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement process to the issuing of the letter of award																
LED3.31(2)	(2) Total number of 80/20 tenders awarded as per the procurement process																
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission		68%														
LED3.32(1)	(1) Number of municipal payments within 30-days of complete invoice receipt made to service providers																
LED3.32(2)	(2) Total number of complete invoices received (30 days or						32		45		99		99				

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Reason(s)	Remedial action/	Reasons for no	Steps or to be	Estimated date
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP								Annual performance	Annual performance	Steps taken to improve performance	data, if not provided	undertaken, when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
	older)														
GG1.21	Staff vacancy rate										-0.9				
GG1.21(1)	(1) The number of employee posts on the approved organisational structure										168				
GG1.21(2)	(2) The number of permanent employees in the municipality										319				
GG1.22	Percentage of vacant posts filled within 3 months		0%								67%				
GG1.22(1)	(1) Number of vacant posts filled within 3 months since the date (dd/mm/yyyy) of authority to proceed with filling the vacancy										2				
GG1.22(2)	(2) Number of vacant posts that have been filled										3				
GG2.11	Percentage of ward committees with 6 or more ward committee														

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Reason(s)	Remedial action/	Reasons for no	Steps or to be	Estimated
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP								Planned 3rd Quarter output as per SDBIP	Planned Annual performance	Planned Annual Actual performance	Steps taken to improve performance	data, if not provided	undertaken, when data in the future	date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
	members (excluding the ward councillor)														
GG2.11(1)	(1) Total number of ward committees with 6 or more members														
GG2.11(2)	(2) Total number of wards														
GG2.12	Percentage of wards that have held at least one councillor-convened community meeting														
GG2.12(1)	(1) Number of councillor convened ward community meetings														
GG2.12(2)	(2) Total number of wards in the municipality														
GG2.12(3)	(3) Reporting quarter														
GG2.31	Percentage of official complaints responded to through the municipal complaint management system														

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/		Remedial action/	Reasons for no	Steps	or to be	Estimated	
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	Planned Annual performance						Planned 4th Quarter/ Annual Actual performance
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
GG2.31(1)	(1) Number of official complaints responded to according to municipal norms and standards															
GG2.31(2)	(2) Number of official complaints received															
GG5.11	Number of active suspensions longer than three months		7								3					
GG5.11(1)	(1) Simple count of the number of active suspensions in the municipality lasting more than three months										3					
GG5.12	Quarterly salary bill of suspended officials															
GG5.12(1)	(1) Sum of the salary bill for all suspended officials for the reporting period															
FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP							Annual Planned performance	Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
FM1.11(1)	(1) Actual Capital Expenditure													
FM1.11(2)	(2) Budgeted Capital Expenditure													
FM1.12	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget													
FM1.12(1)	(1) Actual Operating Expenditure													
FM1.12(2)	(2) Budgeted Operating Expenditure													
FM1.13	Total Operating Revenue as a percentage of Total Operating Revenue Budget													
FM1.13(1)	(1) Actual Operating Revenue													
FM1.13(2)	(2) Budgeted Operating Revenue													
FM1.14	Service Charges and Property Rates Revenue as a percentage of													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/ Annual	4th Quarter/ Annual	Remedial action/ Steps taken to improve performance	Reason(s) for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
						Planned output as per SDBIP	Planned output as per SDBIP	Planned output as per SDBIP							Planned output as per SDBIP
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
	Service Charges and Property Rates Revenue Budget													
FM1.14(1)	(1) Actual Service Charges Revenue													
FM1.14(2)	(2) Actual Property Rates Revenue													
FM1.14(3)	(3) Budgeted Service Charges and Property Rates Revenue													
FM1.21	Funded budget (Y/N) (Municipal)													
FM1.21(1)	(1) Municipal funded budget self-assessment outcome													
FM3.11	Cash/Cost coverage ratio													
FM3.11(1)	(1) Cash and cash equivalent													
FM3.11(2)	(2) Unspent Conditional Grants													
FM3.11(3)	(3) Overdraft													
FM3.11(4)	(4) Short Term													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial action/	Reasons for no	Steps or to be	Estimated date
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP							Planned 3rd output as per SDBIP	Annual performance	Annual performance	Steps taken to improve performance	data, if not provided	undertaken, when data in the future	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
FM3.11(5)	Investment													
	(5) Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)													
FM3.13	Trade payables to cash ratio													
FM3.13(1)	(1) Cash and cash equivalents													
FM3.13(2)	(2) Trade payables													
FM3.14	Liquidity ratio													
FM3.14(1)	(1) Cash and cash equivalents													
FM3.14(2)	(2) Current liabilities													
FM4.31	Creditors payment period													
FM4.31(1)	(1) Trade Creditors Outstanding													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reasons for no data, if not provided	Steps	Estimated	
						Planned output as per SDBIP	Planned output as per SDBIP	Planned output as per SDBIP	Planned output as per SDBIP	4th Quarter/Annual performance	4th Quarter/Annual performance	Variation			variation	or to be undertaken, when data in the future	date data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
FM4.31(2)	(2) Credit purchases (operating and capital)																
FM4.31(3)	(3) Number of days in the reporting year to date																
FM5.11	Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings)																
FM5.11(1)	(1) Internally Generated Funds																
FM5.11(2)	(2) Borrowings																
FM5.11(3)	(3) Total Capital Expenditure																
FM6.12	Percentage of awarded tenders [over R200k], published on the municipality's website																
FM6.12(1)	(1) Number of awarded tenders published on the municipality's website																

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated		
						Quarter Planned 1st	Quarter Planned 2nd	Quarter Planned 3rd							Quarter Annual	Quarter Annual	action/	for no	or to be
						output as per SDBIP	output as per SDBIP	output as per SDBIP	output as per SDBIP	performance	performance	Reason(s) for variation	Steps taken to improve performance	data, if not provided	to provide data in the future	date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
FM6.12(2)	(2) Number of awarded tenders															
FM6.13	Percentage of tender cancellations															
FM6.13(1)	(1) Number of tenders cancelled															
FM6.13(2)	(2) Total number of tenders advertised and closed															
FM7.11	Debtors payment period															
FM7.11(1)	(1) Gross Debtors															
FM7.11(2)	(2) Bad Debt Provision															
FM7.11(3)	(3) Billed Revenue															
FM7.11(4)	(4) Number of days in the reporting period year to date															
FM7.12	Collection rate ratio															
FM7.12(1)	(1) Gross Debtors Opening Balance															
FM7.12(2)	(2) Billed Revenue															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
FM7.12(3)	(3) Gross Debtors Closing Balance																		
FM7.12(4)	(4) Bad Debts Written Off																		
COMPLIANCE INDICATORS FOR QUARTERLY REPORTING																			
C1	Number of signed performance agreements by the MM and section 56 managers:		5																
C2	Number of ExCo or Mayoral Executive meetings held:		5										5						
C3	Number of Council portfolio committee meetings held:		2										5						
C4	Number of MPAC meetings held:												2						
C6	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters:																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
C7	Number of formal (minuted) meetings - to which all senior managers were invited- held:																		
C8	Number of councillors completed training:		18																
C9	Number of municipal officials completed training:		48																
C10	Number of work stoppages occurring:		0																
C11	Number of litigation cases instituted by the municipality:																		
C12	Number of litigation cases instituted against the municipality:																		
C13	Number of forensic investigations instituted:																		
C14	Number of forensic investigations concluded:																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps																																																																																																																																																																																																																																																																																																																																																																																		
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C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Reason(s)	Remedial action/	Reasons for no	Steps or to be	Estimated date
						Planned output as per SDBIP	Planned output as per SDBIP	Planned output as per SDBIP							
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
C24	corruption:														
	Number of council meetings disrupted														
	Number of protests reported														
	R-value of all tenders awarded														
	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations:														
C25															
C26															
C27															
C28															
C29															
C30															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Reason(s)	Remedial action/	Reasons for no	Steps or to be	Estimated date																																																																																																																																																																																																																																																																																																																																																																																																								
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C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
	department																		
C42	Number of registered engineers employed in approved posts																		
C43	Number of engineers employed in approved posts:																		
C44	Number of disciplinary cases in the municipality:																		
C45	Number of finalised disciplinary cases:																		
C47	Number of waste management posts filled:			5															
C49	Number of electricians employed in approved posts:			8															
C51	Number of filled water and wastewater management posts:																		
C56	Number of customers provided with an alternative																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
C57	energy supply (e.g. LPG or paraffin or biogel according to supply level standards)																		
	Number of registered electricity consumers with a mini grid-based system in the municipal service area																		
	Total non-technical electricity losses in MWh (estimate)																		
	Number of municipal buildings that consume renewable energy																		
	Total number of chemical toilets in operation																		
C61	Total number of chemical toilets in operation																		
C63	Total volume of water delivered by water trucks																		
C67	Number of paid full-time firefighters employed by the municipality		4				4												

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial action/	Reasons for no	Steps or to be	Estimated date																																																																																																																																																																																																																																																																																																																																																																																																											
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3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 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3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd	Planned 3rd

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Steps	Estimated
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	4th Quarter/Annual performance	4th Quarter/Annual Actual performance	Variation			variation	undertaken, date	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
C89	indigent															
	Number of meetings of the Excutive or Mayoral Committee postponed due to lack of quorum															
	Number of agenda items deferred to the next council meeting															
C92																
C93	Number of awards made in terms of SCM Reg 32															
	Number of requests approved for deviation from approved procurement plan															
C94																
C98																
OUTPUT INDICATORS FOR ANNUAL REPORTING																
ENV3.11	Percentage of known informal settlements receiving basic															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if provided	Reasons or to be undertaken, to provide data in the future	Steps undertaken, Estimated date when data will be available
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP	4th Quarter/Annual Planned performance	4th Quarter/Annual Actual performance						
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
	refuse removal services															
ENV3.11(1)	(1) Number of informal settlements receiving waste handling services															
ENV3.11(2)	(2) The total number of recognised informal settlements															
ENV4.11	Percentage of biodiversity priority area within the municipality															
ENV4.11(1)	(1) Total land area in hectares classified as "biodiversity priority areas"															
ENV4.11(2)	(2) Total municipal area in hectares															
TR6.11	Percentage of unsurfaced road graded															
TR6.11(1)	(1) Kilometres of municipal road graded															
TR6.11(2)	(2) Kilometres of unsurfaced road															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated		
						Quarter Planned 1st	Quarter Planned 2nd	Quarter Planned 3rd							Quarter Annual	Quarter Annual	action/	for no	or to be	date
						output as per SDBIP	output as per SDBIP	output as per SDBIP	output as per SDBIP	Planned performance	Planned performance	) for	Steps taken to improve performance	provided data, if not	to provide data in the future	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
	network															
WS5.31	Percentage of total water connections metered															
WS5.31(1)	(1) Number of water connections metered															
WS5.31(2)	(2) Number of connections unmetered															
GG3.12	Percentage of councillors who have declared their financial interests															
GG3.12(1)	(1) Number of councillors that have declared their financial interests															
GG3.12(2)	(2) Total number of municipal councillors															
FM2.21	Cash backed reserves reconciliation at year end															
FM2.21(1)	(1) Actual Cash and Cash Equivalents															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated		
						Quarter Planned 1st	Quarter Planned 2nd	Quarter Planned 3rd							Quarter Annual	Quarter Annual	action/	for no	or to be	date
						output as per SDBIP	output as per SDBIP	output as per SDBIP	output as per SDBIP	performance	performance	Reason(s) for variation	Steps taken to improve performance	data, if not provided	undertaken, when data in the future	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
FM2.21(2)	(2) Long Term Investment															
FM2.21(3)	(3) Unspent grants															
FM2.21(4)	(4) Statutory requirement															
FM2.21(5)	(5) Working capital requirements															
FM2.21(6)	(6) Other provisions															
FM2.21(7)	(7) Long term investment committed															
FM2.21(8)	(8) Reserves to be cash backed															
FM3.12	Current ratio (current assets/current liabilities)															
FM3.12(1)	(1) Current assets															
FM3.12(2)	(2) Current liabilities															
FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP							Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
	Expenditure													
FM4.11(1)	(1) Irregular expenditure													
FM4.11(2)	(2) Fruitless and Wasteful expenditure													
FM4.11(3)	(3) Unauthorised expenditure													
FM4.11(4)	(4) Total Operating Expenditure													
FM5.12	Percentage of total capital expenditure funded from capital conditional grants													
FM5.12(1)	(1) Total Capital Transfers (provincial and national capital conditional grants)													
FM5.12(2)	(2) Total Capital Expenditure													
FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP							Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
FM5.21(1)	(1) Total costs of Renewal and Upgrading of Existing Assets													
FM5.21(2)	(2) Total Capital Expenditure													
FM5.22	Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment													
FM5.22(1)	(1) Total costs of Renewal and Upgrading of Existing Assets													
FM5.22(2)	(2) Depreciation													
FM5.22(3)	(3) Asset impairment)													
FM5.31	Repairs and Maintenance as a percentage of property, plant, equipment and investment property													
FM5.31(1)	(1) Total Repairs and Maintenance Expenditure													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if provided	Steps undertaken, Estimated	
						Planned 1st output as per SDBIP	Quarter 1st output	Planned 2nd output as per SDBIP	Quarter 2nd output	Planned 3rd output as per SDBIP	Quarter 3rd output	4th Quarter/Annual Planned performance			4th Quarter/Annual Actual performance	Variation	variation	to provide data in the future	date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
FM5.31(2)	(2) Property, Plant and Equipment															
FM5.31(3)	(3) Investment Property (Carrying Value)															
FM7.31	Net Surplus /Deficit Margin for Electricity															
FM7.31(1)	(1) Total Electricity Revenue															
FM7.31(2)	(2) Total Electricity Expenditure															
FM7.32	Net Surplus /Deficit Margin for Water															
FM7.32(1)	(1)Total Water Revenue															
FM7.32(2)	(2) Total Water Expenditure															
FM7.33	Net Surplus /Deficit Margin for Wastewater															
FM7.33(1)	(1) Total Sanitation and Waste Water Revenue															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Reasons or to be undertaken, when data in the future	Steps undertaken, Estimated date when data will be available
						Planned output as per SDBIP	Planned 1st Quarter output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	4th Quarter/Annual Planned performance	4th Quarter/Annual Actual performance					
OUTPUT INDICATORS FOR QUARTERLY REPORTING																
FM7.33(2)	(2) Total Sanitation and Waste Water Expenditure															
FM7.34	Net Surplus /Deficit Margin for Refuse															
FM7.34(1)	(1) Total Refuse Revenue															
FM7.34(2)	(2) Total Refuse Expenditure															
OUTCOME INDICATORS FOR ANNUAL REPORTING																
EE4.4	Percentage total electricity losses															
EE4.4(1)	(1) Electricity Purchases in kWh															
EE4.4(2)	(2) Electricity Sales in kWh															
ENV5.2	Recreational water quality (inland)															
ENV5.2(1)	(1) Number of inland water sample tests within the 'targeted range' for intermediate contact															

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd					Remedial action/Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, Estimated date		
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP	Quarter Annual Planned performance	4th Quarter/Annual Actual performance	Variation	variation			or to be undertaken, when data in the future	date when data will be available	
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
ENV5.2(2)	recreational water use																
	(2) Total number of sample tests undertaken																
HS3.5	Percentage utilisation rate of community halls		840	840										Number of hours booked			
HS3.5(1)	(1) Sum of hours booked across all community halls in the period of assessment																
HS3.5(2)	(2) Sum of available hours for all community halls in the period of assessment.																
HS3.6	Average number of library visits per library		2145.17	2145.17													
HS3.6(1)	(1) Total number of library visits																
HS3.6(2)	(2) Count of municipal libraries																
HS3.7	Percentage of municipal cemetery		100%	100%													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Steps			
						Planned 1st output as per SDBIP	Planned 2nd Quarter output as per SDBIP	Planned 3rd Quarter output as per SDBIP	4th Quarter/Planned Annual performance	4th Quarter/Annual Actual performance	Variation	variation			undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available		
OUTPUT INDICATORS FOR QUARTERLY REPORTING																		
	plots available																	
HS3.7(1)	(1) Number of available municipal burial plots in active municipal cemeteries																	
HS3.7(2)	(2) Total capacity of all burial plots in active municipal cemeteries																	
TR6.2	Number of potholes reported per 10kms of municipal road network																	
TR6.2(1)	(1) Number of potholes reported																	
TR6.2(2)	(2) Kilometres of surfaced municipal road network																	
WS3.1	Frequency of sewer blockages per 100 KMs of pipeline																	
WS3.1(1)	(1) Number of blockages in sewers that occurred																	
WS3.1(2)	(2) Total sewer																	

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps		
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP					Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	Estimated date data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
	length in KMs														
WS3.2	Frequency of water mains failures per 100 KMs of pipeline														
WS3.2(1)	(1) Number of water mains failures (including failures of valves and fittings														
WS3.2(2)	(2) Total mains length (water) in KMs														
WS3.3	Frequency of unplanned water service interruptions														
WS3.3(1)	(1) Number of unplanned water service interruptions														
WS3.3(2)	(2) Total number of water service connections														
WS4.1	Percentage of drinking water samples complying to SANS241														
WS4.1(1)	(1) Number of water sample tests that complied with SANS														

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd					Remedial action/Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, Estimated date		
						Quarter Planned output as per SDBIP	Quarter Planned output as per SDBIP	Quarter Planned output as per SDBIP	Quarter Planned output as per SDBIP	4th Quarter/Annual performance	4th Quarter/Annual performance	Variation			variation		
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
WS4.1(2)	241 requirements																
	Total number of water sample tests undertaken																
WS4.2	Percentage of wastewater samples compliant to water use license conditions																
WS4.2(1)	(1) Number of wastewater samples tested per determinant that meet compliance to specified water use license requirements																
WS4.2(2)	(2) Total wastewater samples tested for all determinants over the municipal financial year																
WS5.1	Percentage of non-revenue water																
WS5.1(1)	(1) Number of Kilolitres Water Purchased or Purified																
WS5.1(2)	(2) Number of kilolitres of water																

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps		
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP					Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
	sold														
WS5.2	Total water losses														
WS5.2(1)	(1) System input volume														
WS5.2(2)	(2) Authorised consumption														
WS5.2(3)	(3) Number of service connections														
WS5.4	Percentage of water reused														
WS5.4(1)	(1) 1.a Direct use of treated municipal wastewater (not including irrigation)														
WS5.4(2)	(2) 1.b Direct use of treated municipal wastewater for irrigation purposes														
WS5.4(3)	(3) System input volume														
GG1.1	Percentage of municipal skills development levy recovered		49%	50%											

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps
						Quarter	Quarter	Quarter					
OUTPUT INDICATORS FOR QUARTERLY REPORTING													
						Planned 1st	Planned 2nd	Planned 3rd	Planned 3rd	Planned 3rd	Annual	Annual	Annual
						output as per SDBIP	output as per SDBIP	output as per SDBIP	output as per SDBIP	output as per SDBIP	performance	performance	performance
						Actual output	Actual output	Actual output	Actual output	Actual output	Variation	variation	provided
GG1.1(1)	(1) R-value of municipal skills development levy recovered												
GG1.1(2)	(2) R-value of the total qualifying value of the municipal skills development levy												
GG1.2	Top management stability		100%	100%									
GG1.2(1)	(1) Sum of standard working days, in the reporting period, that each S56 and S57 post was occupied by a fully appointed official (not suspended or vacant) with a valid signed contract and performance agreement)												
GG1.2(2)	(2) Aggregate working days for all S56 and S57 Posts												
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and												

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps				
						Quarter	Quarter	Quarter						Quarter	Quarter	action/	for no	or to be
						Planned 1st	Planned 2nd	Planned 3rd	Planned 3rd	Planned 3rd	Reason(s)	Steps taken	data, if	to provide	undertaken, when	Estimated	
						output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Quarter output as per SDBIP	Annual Planned performance	Annual Actual performance	) for variation	to improve performance	not provided	data in the future	date will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
	have an action plan)																
GG2.1(1)	(1) Functional ward committees																
GG2.1(2)	(2) Total number of wards																
GG4.1	Percentage of councillors attending council meetings																
GG4.1(1)	(1) The sum total of councillor attendance of all council meetings																
GG4.1(2)	(2) The total number of council meetings																
GG4.1(3)	(3) The total number of councillors in the municipality																
FM1.1	Percentage of expenditure against total budget		139%														
FM1.1(1)	(1) Total expenditure (operating + capital)																
FM1.1(2)	(2) Total budget (operating + capital)																

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Reason(s)	Remedial action/	Reasons for no	Steps or to be	Estimated date
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP								Annual performance	Annual Actual performance	Steps taken to improve performance	data, if not provided	undertaken, future data in the	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING															
FM2.1	Percentage of total operating revenue to finance total debt (Total Debt (Borrowing) / Total operating revenue)		0%												
FM2.1(1)	(1) Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease)														
FM2.1(2)	(2) Total Operating Revenue														
FM2.1(3)	(3) Operating Conditional Grant														
FM2.2	Percentage change in cash backed reserves reconciliation		0%												
FM2.2(1)	(1) Cash backed reserves (previous year)														
FM2.2(2)	(2) Cash backed reserves (current year)														
FM3.1	Percentage change in cash and cash equivalent (short		137%												

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
	term)																		
FM3.1(1)	(1) Cash and cash equivalent (Current year)																		
FM3.1(2)	(2) Cash and cash equivalent (Previous year)																		
FM4.1	Percentage change of unauthorised, irregular, fruitless and wasteful expenditure		-20%																
FM4.1(1)	(1) Irregular expenditure (previous year)																		
FM4.1(2)	(2) Fruitless and Wasteful expenditure (previous year)																		
FM4.1(3)	(3) Unauthorised expenditure (previous year)																		
FM4.1(4)	(4) Irregular expenditure (current year)																		
FM4.1(5)	(5) Fruitless and Wasteful																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP						Annual Planned performance	Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	Estimated date data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING													
FM4.1(6)	expenditure (current year)												
	(6) Unauthorised expenditure (current year)												
FM4.2	Percentage of total operating expenditure on remuneration		15%										
FM4.2(1)	(1)Employee Related Costs												
FM4.2(2)	(2) Councillors' Remuneration												
FM4.2(3)	(3) Total Operating Expenditure												
FM4.3	Percentage of total operating expenditure on contracted services		5%										
FM4.3(1)	(1) Contracted Services												
FM4.3(2)	(2) Total Operating Expenditure												
FM5.1	Percentage change of own funding (Internally												

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter/	4th Quarter/	Remedial action/	Reasons for no	Steps	
						Planned 1st output as per SDBIP	Planned 2nd output as per SDBIP	Planned 3rd output as per SDBIP					Quarter Annual performance	Quarter Annual Actual performance	action/Steps taken to improve performance	data, if not provided	or to be undertaken, when
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
	generated funds + Borrowings) to fund capital expenditure													
FM5.1(1)	(1) Internally Generated Funds (current year)													
FM5.1(2)	(2) Borrowings (current year)													
FM5.1(3)	(3) Internally Generated Funds (previous year)													
FM5.1(4)	(4) Borrowings (previous year)													
FM5.2	Percentage change of renewal/upgrading of existing Assets													
FM5.2(1)	(1) Total costs of Renewal and Upgrading of Existing Assets (current year)													
FM5.2(2)	(2) Total costs of Renewal and Upgrading of Existing Assets (previous year)													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
FM5.3	Percentage change of repairs and maintenance of existing infrastructure		78%																
FM5.3(1)	(1) Repairs and maintenance expenditure (current year)																		
FM5.3(2)	(2) Repairs and maintenance expenditure (previous year)																		
FM7.1	Percentage change in Gross Consumer Debtors' (Current and Non-current)		18%																
FM7.1(1)	(1) Gross consumer debtors (previous year)																		
FM7.1(2)	(2) Gross consumer debtors (current year)																		
FM7.2	Percentage of Revenue Growth excluding capital grants		8%																
FM7.2(1)	(1) Total Revenue Excluding Capital																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps or to be undertaken, Estimated date to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
FM7.2(2)	Grants (current year)																		
	(2) Total Revenue Excluding Capital Grants (previous year)																		
FM7.3	Percentage of net operating surplus margin		-48%																
FM7.3(1)	(1)Total Operating Revenue																		
FM7.3(2)	(2)Total Operating Expenditure																		
COMPLIANCE INDICATORS FOR ANNUAL REPORTING																			
C5	Number of recognised traditional leaders within your municipal boundary		0																
C21	Number of approved environmental health practitioner posts in the municipality																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
C31	Number of approved posts in the municipality with regard to municipal infrastructure:																		
C37	Number of approved posts in the treasury and budget office:																		
C39	Number of approved posts in the development and planning department:																		
C41	Number of approved engineer posts in the municipality:																		
C46	Number of approved waste management posts in the municipality:		27																
C48	Number of approved electrician posts in the municipality:		8																
C50	Number of approved water and wastewater																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Steps undertaken, Estimated date		
						Quarter Planned output as per SDBIP	Quarter Planned output as per SDBIP	Quarter Planned output as per SDBIP	Quarter Annual Planned performance	4th Quarter/Annual Actual performance	or to be undertaken, when data in the future	date when data will be available					
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
C52	management posts in the municipality:																
	Number of maintained sports facilities																
	Square meters of maintained public outdoor recreation space																
C53																	
C54	Number of municipality-owned community halls		9														
C60	Total number of sewer connections																
C62	Total number of Ventilation Improved Pit Toilets (VIPs)																
C95	Number of residential properties in the billing system																
	Number of non-residential properties in the billing system																
C96																	

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	2nd Quarter Planned output as per SDBIP	2nd Quarter Actual output	3rd Quarter Planned output as per SDBIP	3rd Quarter Actual output	4th Quarter/ Annual Planned performance	4th Quarter/ Annual Actual performance	Variation	Reason(s) for variation	Remedial action/ Steps taken to improve performance	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																			
C97	Number of properties in the valuation roll																		
COMPLIANCE QUESTIONS FOR ANNUAL REPORTING																			
Q1.	Does the municipality have an approved Performance Management Framework?																		
Q2.	Has the IDP been adopted by Council by the target date?																		
Q3.	Does the municipality have an approved LED Strategy?																		
Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?																		
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the																		

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	Estimated
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP							Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	date data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
Q6.	Mayoral/Executive committee provided a report back to the public?													
	When was the last scientifically representative community feedback survey undertaken in the municipality?													
	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.													
Q7.														
Q8.	Please list the locality, date and cause of each incident of protest within the municipal area during the reporting period:													
Q9.	Does the municipality have an Internal Audit Unit?													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st Quarter	2nd Quarter	3rd Quarter					Remedial action/Steps taken to improve performance	Reason(s) for no data, if not provided	Steps undertaken, Estimated date		
						Planned 1st output as per SDBIP	Quarter 1st output as per SDBIP	Planned 2nd output as per SDBIP	Quarter 2nd output as per SDBIP	Planned 3rd output as per SDBIP	Quarter 3rd output as per SDBIP	4th Quarter/Annual Planned performance			4th Quarter/Annual Actual performance	Variation	variation	to provide data in the future	when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING																	
Q10.	Is there a dedicated position responsible for internal audits?																
Q11.	Is the internal audit position filled or vacant?																
Q12.	Has an Audit Committee been established? If so, is it functional?																
Q13.	Has the internal audit plan been approved by the Audit Committee?																
Q14.	Has an Internal Audit Charter and Audit Committee charter been approved and adopted?																
Q15.	Does the internal audit plan set monthly targets?																
Q16.	How many monthly targets in the internal audit plan were not achieved?																

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP					Quarter Annual performance	Quarter Annual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	Estimated date data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant roleplayer?													
	What economic incentive policies adopted by Council does the municipality have by date of adoption?													
	Is the municipal supplier database aligned with the Central Supplier Database?													
	What is the number of steps a business must comply with when applying for a construction permit before final document is received?													
Q22	Please list the name of the structure and date of every meeting of an official IGR structure that the													

C88 Code	Description	Priority Indicator	Baseline (Annual Performance previous financial year)	Medium term target (term of government)	Annual target	1st	2nd	3rd	4th Quarter/	4th Quarter/	Remedial	Reasons	Steps	
						Quarter Planned 1st output as per SDBIP	Quarter Planned 2nd output as per SDBIP	Quarter Planned 3rd output as per SDBIP					Quarter Annual Planned performance	Quarter Annual Actual performance	action/Steps taken to improve performance	for no data, if not provided	or to be undertaken, when data in the future	undertaken, Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING														
Q23.	municipality participated in this quarter:													
	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?													
	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.													
	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?													

SIGNED: MUNICIPAL MANAGER	
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DATE	
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INXUBA YETHEMBA LOCAL MUNICIPALITY
(Registration number: EC131)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

General Information

Legal form of municipality	EC131 - Local Municipality - The municipality's operations are governed by the Municipal Finance Management Act 56 of 2003, Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000; and various other acts and regulations.
Nature of business and principal activities	Inxuba Yethemba Local Municipality is a South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. The municipality performs the functions as set out in the Constitution. This in effect means that the municipality provides services like electricity and refuse removal to the community. Inxuba Yethemba Local Municipality also serves as an agent to the Provincial Department of Transport.
Jurisdiction	Cradock and Middelburg
Executive committee	
Executive mayor	NP Zonke
Speaker	Mbotya, TP
Mayoral committee	Dauids, L Masawe, SV Ndondose, S Mongo, NNA
Councillors	Dakuse, A Desha, M Featherstonehaug, MH Jacobus, R Lawens, BL Rasmeni, M Reeners, J Samuels, C Van der Merwe, J Vorster, HB, Smith Z
MPAC Chairperson	Biko, N
Grading of local authority	Three (3)
Registered office and business address	1 J A Calata Street Cradock 5880
Bankers	First National Bank
Auditors	Auditor General of South Africa Registered Auditors
Attorneys	Metcalf & Kie Attorneys Nolte and Smit Attorneys Minnaar and De Kock Attorneys Zepe & Co Attorneys NE Mbewana Attorneys Dyushu and Majebe Inc Attorneys Joubert Gaulpin Searle Attorneys

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Index

The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

	Page
Accounting Officer's Responsibilities and Approval	3
Accounting Officer's Report	4
Statement of Financial Position	5
Statement of Financial Performance	6
Statement of Changes in Net Assets	7
Cash Flow Statement	8
Statement of Comparison of Budget and Actual Amounts	9 - 14
Accounting Policies	15 - 37
Notes to the Annual Financial Statements	38 - 82

Abbreviations used:

MIG	Municipal Infrastructure Grant
INEG	Integrated National Electrification Grant
GRAP	Generally Recognised Accounting Practice
FMG	Financial Management Grant
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
OTP	Office of the Premier
MDRF	Municipal Disaster Relief Fund
EPWP	Expanded Public Works Programme

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Responsibilities and Approval

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 period then ended.

The annual financial statements have been prepared in accordance with Standards of the 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.

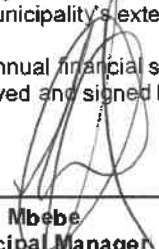
The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of 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 2025 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.

Although the accounting officer is primarily responsible for the financial affairs of the municipality, they are supported by the municipality's external auditors

The annual financial statements set out from page 5, which have been prepared on the going concern basis, were approved and signed by the municipal manager on August 31, 2024.



MWM Mbebe
Municipal Manager

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Officer's Report

The Accounting officer submits his report for the year ended 30 June 2024.

1. Review of activities

Main business and operations

The municipality operates in South Africa.

The operating results and state of affairs of the municipality are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net deficit of the municipality was R 96 851 292 (2023: deficit R 159 657 968).

2. Going concern

We draw attention to the fact that as at 30 June 2024, the municipality had an accumulated surplus of R 575 391 212 and that the municipality's current liabilities exceed its current assets by R 561 762 944. In addition, the municipality incurred a deficit of R 96 851 292 (2023: R 159 657 968). The municipality continues to experience cash flow challenges with a net outflow of cash reserves in the current financial year. The growing of the Eskom debt also poses a risk to the municipality to continue as a going concern. Despite the municipality experiencing the cash flows concerns, the deficit realised by the municipality has significantly reduced from prior year which indicates significant improvement by the municipality. The municipality receives governments grants annually to assist with the running of its operational activities. The municipality has also entered into the payment arrangement with Eskom as a way of assisting the municipality to pay the outstanding amount of the debt. The arrangement involves the writing off of the Eskom debt if they adhere to the arrangement. The arrangement has led to the reduction of the municipality total debts owed .

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

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the municipal manager continues to procure funding for the ongoing operations of the municipality.

3. Subsequent events

The accounting officer is not aware of matters or circumstances arising since the end of the financial year that would require disclosure in the annual financial statements.

4. Accounting policies

The annual financial statements prepared in accordance with the prescribed Standards of GRAP issued by the Accounting Standards Board as the prescribed framework by National Treasury and in accordance with Section 122(3) of the MFMA.

5. Accounting officer's interest in contracts

The accounting officer has no interests in contracts of the municipality.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

Figures in Rand	Note(s)	2024	2023 Restated*
Assets			
Current Assets			
Inventories	3	7 615 847	7 450 126
Receivables from exchange transactions	4	1 882 943	1 720 528
Statutory receivables	5	48 598 167	13 921 334
VAT Receivable	6	35 992 128	35 167 493
Consumer debtors	7	31 911 954	34 202 796
Cash and cash equivalents	8	5 667 436	2 307 158
		131 668 475	94 769 435
Non-Current Assets			
Investment property	9	54 345 297	53 477 286
Property, plant and equipment	11	1 125 562 654	1 132 910 214
Heritage assets	10	16 019 999	16 019 999
		1 195 927 950	1 202 407 499
Total Assets		1 327 596 425	1 297 176 934
Liabilities			
Current Liabilities			
Payables from exchange transactions	12	686 119 528	565 875 372
Consumer deposits	13	1 312 069	1 312 123
Unspent conditional grants and receipts	14	3 290 481	-
Provisions	16	2 709 341	2 029 336
		693 431 419	569 216 831
Non-Current Liabilities			
Employee benefit obligation	15	38 791 843	39 978 475
Provisions	16	19 981 951	15 739 125
		58 773 794	55 717 600
Total Liabilities		752 205 213	624 934 431
Net Assets		575 391 212	672 242 503
Accumulated surplus		575 391 212	672 242 503
Total Net Assets		575 391 212	672 242 503

* See Note 56

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Financial Performance

Figures in Rand	Notes	2024	2023 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	17	152 678 259	132 314 933
Rental of facilities and equipment	18	1 705 351	1 839 946
Agency services	19	2 908 437	2 954 872
Other income	20	2 473 747	2 423 780
Interest received	21	29 344 953	24 198 169
Fair value adjustments	22	868 011	-
Actuarial gains	23	4 853 419	2 645 057
Total revenue from exchange transactions		194 832 177	166 376 757
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	24	66 565 959	49 407 926
Transfer revenue			
Government grants & subsidies	25	100 182 420	94 000 800
Fines, Penalties and Forfeits	26	273 793	77 624
Interest Eskom Debt write off	27	43 520 416	-
Services in-kind	28	2 069 340	3 969 546
Total revenue from non-exchange transactions		212 611 928	147 455 896
Total revenue		407 444 105	313 832 653
Expenditure			
Employee related costs	29	(125 532 482)	(117 068 770)
Remuneration of councillors	30	(9 419 082)	(8 816 409)
Depreciation and amortisation	32	(51 220 728)	(66 080 725)
Impairment loss	33	(13 041 979)	(44 235 806)
Finance costs	31	(43 685 171)	(45 371 540)
Lease rentals on operating lease	34	(1 398 884)	(1 595 947)
Bad debts written off	35	(36 081 578)	(10 359 287)
Bulk purchases	36	(116 868 088)	(94 959 057)
Contracted services	37	(35 938 912)	(21 436 586)
Loss on disposal of assets	38	(233 509)	(7 531 737)
Fair value adjustments	22	-	(4 575 082)
Inventories losses/write-downs	3	(1 635 410)	-
General Expenses	41	(52 834 436)	(37 006 567)
Repairs and maintenance	40	(16 405 138)	(14 453 108)
Total expenditure		(504 295 397)	(473 490 621)
Deficit for the year		(96 851 292)	(159 657 968)

* See Note 56

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	843 592 530	843 592 530
Adjustments		
Correction of errors (*)	(11 953 277)	(11 953 277)
Balance at 01 July 2022 as restated*	831 639 253	831 639 253
Deficit for the year	(158 819 895)	(158 819 895)
Opening balance as previously reported	672 807 465	672 807 465
Adjustments		
Prior year adjustments 56	(564 961)	(564 961)
Balance at 01 July 2023 as restated*	672 242 504	672 242 504
Deficit for the year	(96 851 292)	(96 851 292)
Balance at 30 June 2024	575 391 212	575 391 212

* See Note 56

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Cash Flow Statement

Figures in Rand	Note(s)	2024	2023 Restated*
Cash flows from operating activities			
Receipts			
Taxation		31 875 100	37 889 410
Sale of goods and services		154 910 719	114 930 508
Grants		103 472 901	94 000 800
Interest income		261 342	241 069
Other receipts		5 382 184	5 879 204
		295 902 246	252 940 991
Payments			
Employee costs		(134 035 019)	(123 060 221)
Suppliers		(113 259 280)	(77 108 422)
		(247 294 299)	(200 168 643)
Net cash flows from operating activities	42	48 607 947	52 772 348
Cash flows from investing activities			
Purchase of property, plant and equipment		(45 247 669)	(51 507 356)
Proceeds from sale of property, plant and equipment	11	-	67 529
Net cash flows from investing activities		(45 247 669)	(51 439 827)
Net increase/(decrease) in cash and cash equivalents		3 360 278	1 332 521
Cash and cash equivalents at the beginning of the year		2 307 158	974 637
Cash and cash equivalents at the end of the year	8	5 667 436	2 307 158

The accounting policies on pages 15 to 37 and the notes on pages 38 to 82 form an integral part of the annual financial statements.

* See Note 56

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	239 526 777	(20 000 000)	219 526 777	152 678 259	(66 848 518)	N1
Rental of facilities and equipment	1 887 566	-	1 887 566	1 705 351	(182 215)	
Agency services	2 486 889	(1 000 000)	1 486 889	2 908 437	1 421 548	N2
Licences and permits	4 586 329	48 628	4 634 957	-	(4 634 957)	
Other income	4 238 380	(1 900 000)	2 338 380	2 473 747	135 367	N3
Interest received	40 854 487	-	40 854 487	29 344 953	(11 509 534)	N4
Gains on disposal of assets	7 500 000	3 600 000	11 100 000	-	(11 100 000)	
Acturial gains/losses	-	-	-	4 853 419	4 853 419	
Total revenue from exchange transactions	301 080 428	(19 251 372)	281 829 056	193 964 166	(87 864 890)	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	52 657 002	-	52 657 002	66 565 959	13 908 957	N5
Transfer revenue						
Government grants & subsidies	63 000 250	(88 350)	62 911 900	100 182 420	37 270 520	N6
Fines, Penalties and Forfeits	349 740	-	349 740	273 793	(75 947)	
Interest Eskom Debt write off	-	-	-	43 520 416	43 520 416	N7
Services in-kind	3 789 233	1 710 767	5 500 000	2 069 340	(3 430 660)	
Total revenue from non-exchange transactions	119 796 225	1 622 417	121 418 642	212 611 928	91 193 286	
Total revenue	420 876 653	(17 628 955)	403 247 698	406 576 094	3 328 396	
Expenditure						
Employee related cost	(111 031 964)	-	(111 031 964)	(125 532 482)	(14 500 518)	N8
Remuneration of councillors	(9 126 336)	-	(9 126 336)	(9 419 082)	(292 746)	
Depreciation and amortisation	(76 404 477)	-	(76 404 477)	(51 220 728)	25 183 749	N9
Impairment loss	(50 763 024)	-	(50 763 024)	(13 041 979)	37 721 045	
Finance costs	(10 483 668)	(4 016 332)	(14 500 000)	(43 685 171)	(29 185 171)	N10
Lease rentals on operating lease	-	-	-	(1 398 884)	(1 398 884)	
Bad debts written off	-	-	-	(36 081 578)	(36 081 578)	
Bulk purchases	(47 046 647)	(17 953 353)	(65 000 000)	(116 868 088)	(51 868 088)	N11
Contracted Services	(27 174 500)	-	(27 174 500)	(35 938 912)	(8 764 412)	N12
Loss on disposal of assets	-	-	-	(233 509)	(233 509)	
General Expenses	(26 763 560)	(8 542 440)	(35 306 000)	(54 570 731)	(19 264 731)	N13
Repairs and maintenance	(14 527 260)	-	(14 527 260)	(14 668 843)	(141 583)	N14
Total expenditure	(373 321 436)	(30 512 125)	(403 833 561)	(502 659 987)	(98 826 426)	
Operating deficit	47 555 217	(48 141 080)	(585 863)	(96 083 893)	(95 498 030)	
Fair value adjustments	-	-	-	868 011	868 011	
Inventories losses/write-downs	-	-	-	(1 635 410)	(1 635 410)	
	-	-	-	(767 399)	(767 399)	
Surplus/(Deficit)	47 555 217	(48 141 080)	(585 863)	(96 851 292)	(96 265 429)	

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	47 555 217	(48 141 080)	(585 863)	(96 851 292)	(96 265 429)	

Reconciliation

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
Statement of Financial Position						
Assets						
Current Assets						
Inventories	6 638 925	431 816	7 070 741	7 615 847	545 106	
Receivables from exchange transactions	69 072 683	(4 138 052)	64 934 631	1 882 943	(63 051 688)	N15
Statutory receivables	23 212 567	(634 811)	22 577 756	48 598 167	26 020 411	
VAT receivable	63 819 171	(49 689 047)	14 130 124	35 992 128	21 862 004	N16
Consumer debtors	64 802 322	(3 494 937)	61 307 385	31 911 954	(29 395 431)	
Other current assets	444 623	4 365 846	4 810 469	-	(4 810 469)	
Cash and cash equivalents	82 010 485	(38 505 293)	43 505 192	5 667 436	(37 837 756)	N17
	310 000 776	(91 664 478)	218 336 298	131 668 475	(86 667 823)	
Non-Current Assets						
Investment property	52 252 147	1 480 000	53 732 147	54 345 297	613 150	
Property, plant and equipment	1 113 384 900	23 356 040	1 136 740 940	1 125 562 654	(11 178 286)	
Heritage assets	16 019 999	-	16 019 999	16 019 999	-	
	1 181 657 046	24 836 040	1 206 493 086	1 195 927 950	(10 565 136)	
Total Assets	1 491 657 822	(66 828 438)	1 424 829 384	1 327 596 425	(97 232 959)	
Liabilities						
Current Liabilities						
Payables from exchange transactions	417 017 973	(108 224 833)	308 793 140	691 693 943	382 900 803	N18
Consumer deposits	3 517 149	(190 934)	3 326 215	1 312 069	(2 014 146)	
Unspent conditional grants and receipts	583 919	(2 728 411)	(2 144 492)	3 290 481	5 434 973	
Provisions	2 077 706	(356 158)	1 721 548	-	(1 721 548)	N19
Other current liabilities	33 729 001	(4 192 001)	29 537 000	-	(29 537 000)	
	456 925 748	(115 692 337)	341 233 411	696 296 493	355 063 082	
Non-Current Liabilities						
Employee benefit obligation	-	-	-	38 791 843	38 791 843	
Provisions	36 254 000	(7 963 000)	28 291 000	22 691 293	(5 599 707)	
	36 254 000	(7 963 000)	28 291 000	61 483 136	33 192 136	
Total Liabilities	493 179 748	(123 655 337)	369 524 411	757 779 629	388 255 218	
Net Assets	998 478 074	56 826 899	1 055 304 973	569 816 796	(485 488 177)	
Net Assets						
Reserves						
Accumulated surplus	942 354 380	138 800 187	1 081 154 567	575 391 212	(505 763 355)	N20

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Property rates and fines	55 160 319	55 160 319	110 320 638	31 875 101	(78 445 537)	
Sale of goods and services	191 382 299	171 382 299	362 764 598	154 910 719	(207 853 879)	
Grants and subsidies	87 982 137	(258 125 522)	(170 143 385)	103 472 901	273 616 286	
Interest income	1 719 873	-	1 719 873	261 342	(1 458 531)	
Other receipts	13 548 904	11 697 532	25 246 436	5 382 184	(19 864 252)	
	349 793 532	(19 885 372)	329 908 160	295 902 247	(34 005 913)	
Payments						
Payments to suppliers and employee costs	(235 387 902)	(24 245 793)	(259 633 695)	(134 064 077)	125 569 618	
Finance costs	(10 483 668)	(4 016 332)	(14 500 000)	(113 230 223)	(98 730 223)	
	(245 871 570)	(28 262 125)	(274 133 695)	(247 294 300)	26 839 395	
Net cash flows from operating activities	103 921 962	(48 147 497)	55 774 465	48 607 947	(7 166 518)	
Cash flows from investing activities						
Purchase of property, plant and equipment	(30 103 750)	(32 103 750)	(62 207 500)	(45 247 669)	16 959 831	
Proceeds from sale of property, plant and equipment	7 500 000	11 100 000	18 600 000	-	(18 600 000)	
Net cash flows from investing activities	(22 603 750)	(21 003 750)	(43 607 500)	(45 247 669)	(1 640 169)	
Net increase/(decrease) in cash and cash equivalents	81 318 212	(69 151 247)	12 166 965	3 360 278	(8 806 687)	
Cash and cash equivalents at the beginning of the year	974 638	792 204	1 766 842	2 307 158	540 316	
Cash and cash equivalents at the end of the year	82 292 850	(68 359 043)	13 933 807	5 667 436	(8 266 371)	

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
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N1: Service charges: The variance is largely related to electricity revenue not realised at year end. Refuse charges were also under collected. One of the factors causing the low performance on this line item is the electricity theft such as illegal connections. Internal controls were implemented regarding the collection

N2: Agency fees: During the mid year assessment the performance with relation to agency fees was low, therefore the budgeted was adjusted downwards with R1 million. Related to collections made on behalf on Department of transport

N3: Other Income: The municipality could not collect all of the budgeted revenue at year end as the revenue enhancement strategy was not implemented

N4: Interest received: Performance on this line item is poor as it is below the 50% half yearly target and the quarter 4 target of 100%. Ineffective implementation of credit control contributed to slow realisation of interest charged on outstanding debt.

N5: Property Rates: The variance in property rates is due to the update in billing done in June based on the supplementary valuation roll.

N6: Government grants and subsidies: Performance on this line item is excellent as it has reached its half yearly target during the 2nd quarter and shows great improvement

N7: Interest Eskom debt write off: There was no budget for the interest Eskom debt write off. This line item relates to the payment arrangement that was entered into between the municipality and Eskom as a way of assisting the municipality to pay the outstanding amount of debt. The arrangement involves the writing off of the Eskom debt if they adhere to the arrangement.

N8: Employee related costs: The variances is mainly due to new hires and salary increases that took place in the current year.

N9: Depreciation: The budgeted depreciation is based on the previous financial year's fixed asset register. The actual depreciation is lower as a result of amongst other things, aged assets and assets disposed during the year.

N10: Finance costs: Interest has increased due to the high Eskom account debt and late payment of creditors

N11: Bulk purchases: The variance is more. IYM has entered into an agreement with Eskom for Debt relief on the bulk account. IYM tries to adhere to conditions specified on the Debt programme programme of the ensuring payments

N12: Contracted services: The budget for contracted services was incorrect. The average cost for the past 3 years amounted to R19.1m

N13: General expenditure: The budget for general expenditure was unreasonable at R35 million. Unforeseen general expenditure had to be incurred, Including more spendings on trainings of the staff.

N14: Repairs & maintenance: Due to aging infrastructure the repairs and maintenance costs had to be increased as the municipality was not in a position to budget for the upgrading of assets or new assets in a capital manner

N15: Receivables from exchange transactions: The receivables from exchange transactions, statutory receivables and VAT. The budget for consumer debtors is unreasonable as the average receivables over the past three years is around R30m

N16: VAT receivable: The VAT receivable was budgeted for. The VAT receivable not realised as the VAT201s for the 12 months were not submitted. For all 12 months not submitted

N17: Cash and cash equivalents: The variance is as a result of amongst other things; payments made to completed capital projects, committed payments made to Eskom and AGSA

N18: Trade and other payables including consumer deposits: The variance is due to the municipality having cash flow problems, the municipality has been unable to settle all of its accounts and as a result the balance is increasing, prominently is the Eskom account with a significant opening balance

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts	Variance	Reference
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N19: Provisions and post-employment obligations: Employee benefit obligation is not included in the budget as the amount was unknown during budget preparation process.

N20: Accumulated surplus: Actual performance resulted in a surplus, the reason for the variance is a product of all actual financial activities not performing as anticipated during the year. Revenue streams were under collected and some expenditure lines were overspent resulting in a decrease in the accumulated surplus amount.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of GRAP (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the MFMA.

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. They are presented in South African Rand and amounts have been rounded to the nearest Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.2 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. Significant judgements include:

Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipal entity makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions used may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

The municipality considers the following events or circumstances as possible indications that an impairment may have occurred:

- Property, plant and equipment that are damaged, where an asset's market value has declined significantly more than would be expected as a result of the passage of time, obsolescence, assets that become idle, plans to dispose of an asset before the previously expected date, plans to discontinue or restructure the operation to which the asset belongs, a decision to halt the construction of the asset before it is complete or in a usable condition or where internal reporting indicates that the economic performance of an asset is, or will be worse than expected.
- Damaged or derelict buildings and heritage assets.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 16 - Provisions.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to its present value where the effect is material.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Provision for rehabilitation of landfill sites

The municipality has an obligation to rehabilitate its landfill sites in terms of its license stipulations. Provision is made for this obligation based on the net present value of cost.

The uncertainties and assumptions attached to this provision are listed as follows:

- The landfill closure designs are based on current day legislation (Minimum Requirements for Waste Disposal by Landfill, Second Edition 1998) and current permits. Should the Minister require for the sites to be relicensed or brought in line with new legislation, the closure requirements may be affected which may in turn affect the costing analysis.
- It is assumed that clean sand and clay is available locally (nearby / alongside / within) to the site and no importation (long-distance haulage) of materials is required. Material on or close to site is sufficient for closure.
- It is assumed that the general public have not requested a specific final shape or end use for the landfill sites.

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 15.

Useful lives of property, plant and equipment

The municipality depreciates its property, plant and equipment over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives.

The useful lives of assets are based on management's estimation. Management considered the impact of technology, availability of capital funding, service requirements and required return on assets in order to determine the optimum useful life expectation, where appropriate.

The estimation of residual values of assets is based on management's judgement as to whether the assets will be sold or used to the end of their useful lives and in what condition they will be at that time.

At each reporting date management assesses the assets for any indication that the municipality's expectations about the residual values and the useful lives of assets have changed since the preceding reporting date. If any such indication exists, the municipality shall revise the expected useful life and / or residual value accordingly.

Determination of fair value for property, plant and equipment

In the absence of an invoice to support the purchase of an asset, those assets have been brought into account using the fair value. Fair value was determined by obtaining the market value of the asset in the current financial year and adjusting the market value using CPI to establish the current replacement cost at measurement date, namely 1 July 2020. The current replacement cost was adjusted to take into account the condition and age of the asset at measurement date using the depreciated replacement cost method.

Determination of fair value for heritage assets

In the absence of an invoice to support the purchase of an asset, those assets have been brought into account using the fair value. Fair value was determined by obtaining the market value of the asset in the current financial year and adjusting the market value using the consumer price index to establish the current replacement cost at measurement date, namely 1 July 2020. Current replacement cost was used and adjusted (if required) after an assessment for impairment in terms of the heritage assets accounting policy.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.3 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

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

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or loss in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or loss when the compensation becomes receivable.

1.4 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 during more than one period.

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 item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.4 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management. Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

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

Item	Average useful life
Land	Indefinite
Buildings	20 to 30 years
Landfill sites	30 years
Plant and machinery	2 to 15 years
Furniture and fixtures	2 to 20 years
Motor vehicles	3 to 10 years
Office equipment	2 to 10 years
IT Equipment	2 to 10 years
Infrastructure	4 to 80 years
Community	10 to 50 years

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.

In assessing whether there is any indication that the expected useful life of an asset has changed, the municipality considers the following indicators:

- The composition of the asset changed during the reporting period, i.e. the significant components of the asset changed.
- The use of the asset has changed, because of the following:
 - The municipality has changed the manner in which the asset is used.
 - The municipality has changed the utilisation rate of the asset.
 - The municipality has made a decision to dispose of the asset in a future reporting period(s) and that this decision will change the expected period over which the asset will be used.
 - Technological, environmental, commercial or other changes that occurred during the reporting period that have, or will, change the use of the asset.
 - Legal or similar limits placed on the use of the asset have changed.
 - The asset was idle or retired from use during the reporting period.
- The asset is approaching the end of its previously expected useful life.
- Planned repairs and maintenance on, or refurbishments of, the asset and / or its significant components either being undertaken or delayed.
- Environmental factors, e.g. increased rainfall or humidity, adverse changes in temperatures or increased exposure to pollution.
- There is evidence that the condition of the asset improved or declined based on assessments undertaken during the reporting period.
- The asset is assessed as being impaired.
- Other indicators which may indicate a change in useful life or residual value of the asset.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.4 Property, plant and equipment (continued)

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. The municipality capitalise project expenditure as work in progress as and when the expenditure occurs. Upon completion of the project, the project assets are componentised and transferred to the relevant category of property, plant and equipment, investment property or heritage assets.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. 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.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 40).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 11).

1.5 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.6 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

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

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.6 Heritage assets (continued)

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

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

1.7 Financial instruments

Classification

The municipality has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Receivables from exchange transactions	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Consumer debtors	Financial asset measured at amortised cost

The municipality has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants and receipts	Financial liability measured at amortised cost
Consumer deposits	Financial liability measured at amortised cost
Bank overdraft	Financial liability measured at amortised cost

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when the municipality becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Financial instruments (continued)

Gains and losses

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired.

Impairment and uncollectibility of financial assets

The municipality assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. The municipality first assesses individually significant debtors for impairment and will then use a portfolio approach on the remaining debtors.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

The municipality derecognises financial assets using trade date accounting.

The municipality derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the municipality, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the municipality :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.7 Financial instruments (continued)

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Gains and losses relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the municipality currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.8 Statutory receivables

Identification

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.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when 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 entity and the transaction amount can be measured reliably.

Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition 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.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.8 Statutory receivables (continued)

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, a municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The municipality considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance. The difference between the amounts recognised as income and the contractual receipts are recognised as an operating lease asset or liability.

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.

1.10 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

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.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the first-in, first-out (FIFO) 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.

1.11 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.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 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.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset. The recoverable amount is considered to be the higher of the value in use and the fair value less costs to sell.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the municipality expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.11 Impairment of cash-generating assets (continued)

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

1.12 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

Refer to note 1.11 for the accounting treatment of cash-generating assets.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset. The recoverable service amount is considered to be the higher of the non-cash generating asset's value in use and the fair value less costs to sell.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset. The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.12 Impairment of non-cash-generating assets (continued)

Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the municipality recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit. After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.13 Employee benefits

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.13 Employee benefits (continued)

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:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality 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
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. 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.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Long-service award

The municipality has an obligation to provide long-service award benefits to all of its employees. According to the rules of the long-service award scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the statement of financial performance.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which a municipality pays fixed contributions into a separate municipality (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

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

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, a municipality 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
- 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.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the municipality recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the municipality's informal practices. Informal practices give rise to a constructive obligation where the municipality has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the municipality's informal practices would cause unacceptable damage to its relationship with employees.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.13 Employee benefits (continued)

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date; and
- plus any liability that may arise as a result of a minimum funding requirement.

Any adjustments arising from the limit above is recognised in surplus or deficit. The municipality determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The municipality recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, a municipality shall attribute 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, a municipality shall attribute benefit on a straight-line basis from:

- 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
- 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 valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The municipality values the present obligation using a discount rate that reflects the time value of money. This is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, the municipality uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

1.14 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.14 Provisions and contingencies (continued)

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus. If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 45.

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. These contractual obligations are not recognised in the statement of financial position. Refer to note 43 for commitments the municipality are required to honour.

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.

Measurement

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

Rendering of services

Service charges relating to solid waste, sanitation and sewage are levied in terms of the approved tariffs.

Service charges relating to electricity are based on consumption. Meters are normally read on a monthly basis and are recognised as revenue when invoiced. Where meters are not read monthly, provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

In circumstances where services cannot readily be measured and quantified, a flat rate service charge is levied monthly on such properties.

Interest and rental of facilities and equipment

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

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.17 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Recognition

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

An inflow of resources from a non-exchange transaction, that meets the definition of an asset shall be recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the municipality and the fair value of the asset can be measured reliably. The asset shall be recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow. A present obligation arising from a non-exchange transaction that meets the definition of a liability will be recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

Government Grants and receipts

Equitable share allocations are recognised in revenue at the start of the financial year if no time-based restrictions exist.

Income received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Once the conditions are met, revenue is recognised and the liability is reduced. 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 conditions are recognised in the statement of financial performance in the period in which they become receivable.

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 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 due to the municipality 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 municipality the cash actually collected on summonses issued.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.17 Revenue from non-exchange transactions (continued)

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, 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.

1.18 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether the municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent otherwise it is the principle.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Recognition

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.

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.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.19 Borrowing costs

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

1.20 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year and / or restated for prior period adjustments.

1.21 Unauthorised expenditure

Unauthorised expenditure means:

- Overspending of the total amount appropriated in the municipality's approved budget.
- Overspending of the total amount appropriated for a vote in the approved budget.
- Expenditure from a vote unrelated to the department or functional area covered by the vote.
- Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose.
- Spending of an allocation otherwise than in accordance with the conditions of the allocation.
- A grant by the municipality otherwise than in accordance with the MFMA.

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.

1.22 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.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.23 Irregular expenditure

Irregular expenditure as defined in section 1 of the MFMA is expenditure incurred in contravention of or that is not in accordance with the:

MFMA;

Municipal Systems Act (Act No. 32 of 2000);

- Public Office-Bearers Act (Act No. 20 of 1998); or

- A requirement of the supply chain management policy of the municipality or any of the municipality's by-laws giving effect to such policy; and

- which has not been condoned in terms of that Act, policy or by-law.

MFMA Circular 68 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 annual financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is required with the exception of updating the note to the annual 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 annual 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 annual 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 annual 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 annual financial statements and updated accordingly in the irregular expenditure register.

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.

1.24 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

1.25 Budget information

The approved budget is prepared on a accrual basis and relates solely to the municipality. The approved budget covers the fiscal period from 1 July 2023 to 30 June 2024.

The municipality considers budget variances greater than 10% and R 834 699,1 (approximately 0.5% of revenue) as material.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.25 Budget information (continued)

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.

1.26 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.

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 those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

Related parties include key management personnel such as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager and close family members of key management personnel.

Related party transactions during the year and balances at reporting date is disclosed in note 54.

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.

1.27 Value-Added Tax

The municipality is registered with the SARS for VAT on the payment basis, in accordance with Sec15 (2)(a) of the Value-Added Tax Act No 89 of 1991.

Revenue, expenses and assets are recognised net of the amount of VAT except:

- Where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, SARS is separately disclosed in the statement of financial position.

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).

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Accounting Policies

1.28 Events after reporting date (continued)

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.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

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 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 103 (as revised): Heritage Assets	Effective date not yet determined	Unlikely there will be a material impact
• Guideline: Guideline on the Application of Materiality to Financial Statements	Effective date not yet determined	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements	Effective date not yet determined	Unlikely there will be a material impact

3. Inventories

Land held for resale	3 017 074	4 652 484
Stores (consumables and materials)	4 598 773	2 797 642
	7 615 847	7 450 126

Inventory written off during the year	816 934	7 401
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Inventories recognised as an expense during the year	2 461 010	2 777 064
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Inventories losses/write-downs

Inventories losses/write-downs	1 635 410	-
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Inventory write off relate to land inventory that was revalued at the reporting date as inventories is measured at the lower of cost or net realisable value.

Inventory pledged as security

Inventory was not pledged as security.

4. Receivables from exchange transactions

Rental Debtors	6 102 895	5 040 546
Sundry Debtors	431 689	717 169
Less: Allowance for impairment	(4 651 641)	(4 037 187)
	1 882 943	1 720 528

The ageing of receivables from exchange transactions is as follows:

Current (0 - 30 days)	520 277	265 723
31 - 60 days	71 314	78 947
61 - 90 days	67 786	74 505
91 - 120 days	67 257	66 947
121 - 150 days	44 366	37 911
More than 151 days	1 111 943	1 196 495
	1 882 943	1 720 528

Total receivables from exchange transactions	1 882 943	1 720 528
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Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
4. Receivables from exchange transactions (continued)		
Trade and other receivables past due but not impaired		
At 30 June 2024, R 1 362 666 (2023: R 1 454 805) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	71 314	78 947
2 months past due	67 786	74 505
3 months past due	67 257	66 947
4 month past due	44 366	37 911
More than 4 months past due	585 194	1 196 495
	835 917	1 454 805
Trade and other receivables impaired		
As of 30 June 2024, trade and other receivables of R 4 651 641 (2023: R 4 037 187) were impaired and provided for.		
The ageing of these receivables from exchange transactions is as follows:		
0 to 3 months	68 372	71 233
3 to 6 months	94 489	109 248
6 to 9 months	133 877	150 397
More than 9 months	4 354 903	3 706 309
	4 651 641	4 037 187
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	4 037 187	3 207 012
Allowance for impairment	614 454	830 175
	4 651 641	4 037 187
5. Statutory receivables		
Gross rates receivable	164 958 489	125 111 232
Less: Allowance for impairment	(116 360 322)	(111 189 898)
Net rates debtors	48 598 167	13 921 334

Rates are billed based on consumer choice (i.e. either monthly or annually). No interest is charged on rates accounts until the end of the following month. Thereafter interest is charged at a rate determined by Council on the outstanding balance. The municipality did not pledge any of its statutory receivables as security for borrowing purposes.

In determining the recoverability of statutory receivables, the municipality considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being spread over a large number of consumers in the Cradock and Middelburg geographical area. Accordingly, management believe that there is no further credit provision required in excess of the allowance for impairment.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
5. Statutory receivables (continued)		
Statutory receivables included in receivables		
Current (0 - 30 days)	11 026 980	1 916 512
31 - 60 days	218 838	375 939
61 - 90 days	178 824	319 427
91 - 120 days	157 793	274 934
121 - 150 days	21 281	33 613
More than 151 days	37 007 411	11 000 909
	48 611 127	13 921 334
Statutory receivables past due but not impaired		
At 30 June 2024, statutory receivables of R 37 584 147 (2023: R 12 380 398) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	218 838	375 939
2 months past due	178 824	319 427
3 months past due	157 793	274 934
4 months past due	21 281	33 613
More than 4 months past due	37 007 411	11 376 485
	37 584 147	12 380 398
Statutory receivables impaired		
As of 30 June 2024, statutory receivables of R 116 360 322 (2023: R 111 189 898) were impaired and provided for.		
The ageing of amounts impaired is as follows:		
0 to 3 months	488 253	1 379 456
3 to 6 months	1 305 683	1 604 102
6 to 9 months	1 502 757	1 971 675
More than 9 months past due	113 063 629	106 234 665
	116 360 322	111 189 898
Reconciliation of allowance for impairment of statutory receivables		
Opening balance	111 189 898	93 647 826
Allowance for impairment	5 170 424	17 542 072
	116 360 322	111 189 898
6. VAT receivable		
VAT	35 992 128	35 167 493

No interest is payable to the SARS if the VAT is paid over timeously, however interest and penalties for late payments is charged according to the SARS policies. The municipality has financial risk policies in place to ensure that payments are effected before the due date.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
7. Consumer debtors		
Gross balances		
Electricity	47 912 109	41 579 009
Refuse	124 061 413	128 852 020
	171 973 522	170 431 029
Less: Allowance for impairment		
Electricity	(20 772 373)	(17 421 286)
Refuse	(119 289 195)	(118 806 947)
	(140 061 568)	(136 228 233)
Net balance		
Electricity	27 139 736	24 157 723
Refuse	4 772 218	10 045 073
	31 911 954	34 202 796
Electricity		
Current (0 - 30 days)	11 408 041	10 684 564
31 - 60 days	2 347 827	2 617 890
61 - 90 days	2 197 725	1 357 344
91 - 120 days	1 598 699	1 532 869
121 - 365 days	1 341 987	956 247
> 365 days	8 245 457	7 008 809
	27 139 736	24 157 723
Refuse		
Current (0 - 30 days)	1 335 307	1 627 850
31 - 60 days	170 868	382 951
61 - 90 days	89 014	346 322
91 - 120 days	78 652	311 166
121 - 365 days	14 115	101 274
> 365 days	3 084 262	7 275 510
	4 772 218	10 045 073
Consumer debtors past due but not impaired		
At 30 June 2024, R 18 584 487 (2023: R 21 890 382) were past due but not impaired.		
The ageing of amounts past due but not impaired is as follows:		
1 month past due	2 518 695	3 000 841
2 months past due	2 286 739	1 703 666
3 months past due	1 677 351	1 844 035
4 months past due	1 356 102	1 057 521
More than 4 months past due	10 745 600	14 284 319
	18 584 487	21 890 382

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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7. Consumer debtors (continued)

Consumer debtors impaired

As of 30 June 2024, consumer debtors of R 140 061 567 (2023: R 136 228 233) were impaired and provided for.

The ageing of these impaired amounts is as follows:

0 to 3 months	4 323 384	5 380 885
3 to 6 months	4 980 316	5 960 815
6 to 9 months	5 284 758	6 230 436
Over 9 months	125 473 108	118 656 097
	140 061 566	136 228 233

Reconciliation of allowance for impairment of consumer debtors

Opening balance	136 228 232	110 364 674
Allowance for impairment	3 833 334	25 863 558
	140 061 566	136 228 232

Consumer debtors from exchange transactions are billed monthly. No interest is charged on consumer debtor accounts until the end of the following month. Thereafter interest is charged at a rate determined by Council on the outstanding balance.

The municipality did not pledge any of its consumer debtors from exchange transactions as security for borrowing purposes.

In determining the recoverability of consumer debtors from exchange transactions, the municipality considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being spread over a large number of consumers in the Cradock and Middelburg geographical area. Accordingly, management believe that there is no further credit provision required in excess of the allowance for impairment.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	5 008 146	1 667 636
Short-term deposits	659 290	639 522
	5 667 436	2 307 158

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

8. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2024	30 June 2023	30 June 2022	30 June 2024	30 June 2023	30 June 2022
First National Bank - 51980028125 (Current)	4 129 493	514 198	(17 552)	4 995 354	1 202 173	363 957
First National Bank - 51981035195 (Current)	9 793	525 398	4 975	9 793	525 398	4 975
First National Bank - 62483143493 (Call)	406	406	406	406	406	406
ABSA Bank - 9274923100 (Call)	217 883	204 138	194 049	217 883	204 138	194 049
ABSA Bank - 9264494272 (Call)	181 634	171 789	163 361	181 635	172 401	163 361
ABSA Bank - 9247070027 (Call)	86 267	81 481	77 320	86 267	81 481	77 320
Standard Bank of South Africa - 288553187010 (Call)	180 491	166 476	155 962	180 492	166 476	155 962
Nedbank Limited - 08851015 (Investment)	12 271	11 086	11 086	12 271	11 086	11 086
Nedbank Limited - 08851015	3 543	3 534	3 521	3 543	3 534	3 521
Total	4 821 781	1 678 506	593 128	5 687 644	2 367 093	974 637

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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9. Investment property

	2024			2023		
	Fair value	Accumulated impairment	Fair value less impairments	Fair value	Accumulated impairment	Fair value less impairments
Investment property	54 345 297	-	54 345 297	53 477 286	-	53 477 286

Reconciliation of investment property - 2024

	Opening balance	Fair value adjustments	Total
Investment property	53 477 286	868 011	54 345 297

Reconciliation of investment property - 2023

	Opening balance	Transfers	Fair value adjustments	Total
Investment property	54 339 310	3 713 058	(4 575 082)	53 477 286

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.

Details of valuation

The effective date of the revaluations was Sunday, 30 June 2024. Fair valuations were performed by F Taruva, who contracted an independent valuer, F Taruva, who is registered with the Professional Valuers Council. F Taruva are not connected to the municipality and have recent experience in location and category of the investment property being valued.

Based on the nature of the properties, different valuation methods were used. For vacant land, the comparable sales method of valuation was used. For sports clubs the depreciated replacement cost method of valuation was used, while for properties on which rental are charged, the income capitalisation method of valuation was used. Various assumptions are used for valuating the properties and these valuation certificates are available for inspection at the municipality. These assumptions are based on current market conditions. All of the municipality's investment property is held under freehold interests and no investment property had been pledged as security for any liabilities of the municipality.

There are no restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal. There are no contractual obligations on investment property.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	1 599 125	1 356 357
From Investment property that generated rental revenue		
Direct operating expenses (excluding repairs and maintenance)	2 410 845	2 649 985
Repairs and maintenance	78 831	2 743
	2 489 676	2 652 728

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

10. Heritage assets

	2024			2023		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Historical buildings	16 019 999	-	16 019 999	16 019 999	-	16 019 999

Reconciliation of heritage assets 2024

	Opening balance	Total
Historical buildings	16 019 999	16 019 999

Reconciliation of heritage assets 2023

	Opening balance	Total
Historical buildings	16 019 999	16 019 999

Restrictions on heritage assets

There are no restrictions on the remittance of revenue of heritage asset, however there are restrictions on realisability and proceeds of disposal of inalienable heritage assets. There are no contractual obligations to purchase, construct or develop heritage assets or for repairs, maintenance or enhancements. There are no heritage assets pledged as security for liabilities. There are no indications of impairment of Heritage assets as at year end.

11. Property, plant and equipment

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Land	36 326 790	-	36 326 790	36 326 790	-	36 326 790
Buildings	146 478 377	(53 063 701)	93 414 676	146 478 377	(45 112 356)	101 366 021
Plant and machinery	7 401 119	(4 778 877)	2 622 242	5 942 282	(3 805 941)	2 136 341
Furniture and fixtures	5 321 481	(4 515 774)	805 707	4 841 418	(4 358 358)	483 060
Motor vehicles	24 053 425	(17 299 157)	6 754 268	17 160 787	(15 889 569)	1 271 218
Office equipment	2 588 224	(1 439 279)	1 148 945	2 120 455	(1 233 990)	886 465
IT equipment	11 411 951	(7 107 366)	4 304 585	10 219 389	(5 723 874)	4 495 515
Infrastructure	1 220 087 585	(414 453 154)	805 634 431	1 197 652 570	(377 834 524)	819 818 046
Community	131 825 848	(33 199 996)	98 625 852	131 825 848	(28 657 024)	103 168 824
Landfill sites	26 466 246	(19 655 167)	6 811 079	23 572 751	(19 247 299)	4 325 452
Work in progress	69 114 079	-	69 114 079	58 632 482	-	58 632 482
Total	1 681 075 125	(555 512 471)	1 125 562 654	1 634 773 149	(501 862 935)	1 132 910 214

Inxuba Yethemba Local Municipality

(Registration number EC131)
Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

11. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Transfers	Depreciation	Impairment loss	Total
Land	36 326 790	-	-	-	-	-	36 326 790
Buildings	101 366 021	-	-	-	(5 641 995)	(2 309 350)	93 414 676
Plant and machinery	2 136 341	1 881 674	(3)	-	(561 447)	(834 323)	2 622 242
Furniture and fixtures	483 060	517 201	(144)	-	(189 313)	(5 097)	805 707
Motor vehicles	1 271 218	6 892 638	-	-	(1 286 360)	(123 228)	6 754 268
Office equipment	886 465	482 989	(279)	-	(207 558)	(12 672)	1 148 945
IT equipment	4 495 515	1 836 556	(123 803)	-	(1 764 586)	(139 097)	4 304 585
Infrastructure	819 818 046	350 810	-	22 084 204	(36 618 629)	-	805 634 431
Community	103 168 824	-	-	-	(4 542 972)	-	98 625 852
Landfill sites	4 325 452	2 893 495	-	-	(407 868)	-	6 811 079
Work in progress	58 632 482	33 285 801	-	(22 804 204)	-	-	69 114 079
	1 132 910 214	48 141 164	(124 229)	(720 000)	(51 220 728)	(3 423 767)	1 125 562 654

Inxuba Yethemba Local Municipality

(Registration number EC131)
Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

11. Property, plant and equipment (continued) Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Land	36 970 844	-	(644 054)	-	-	36 326 790
Buildings	107 008 010	-	-	-	(5 641 989)	101 366 021
Plant and machinery	2 517 535	108 930	-	-	(490 124)	2 136 341
Furniture and fixtures	542 889	231 919	(278)	-	(291 470)	483 060
Motor vehicles	2 095 348	-	(177 515)	-	(646 615)	1 271 218
Office equipment	666 349	421 170	(12)	-	(201 042)	886 465
IT equipment	5 477 984	702 216	(4 098)	-	(1 680 587)	4 495 515
Infrastructure	847 081 512	-	(6 773 309)	31 687 908	(52 178 065)	819 818 046
Community	107 711 789	-	-	-	(4 542 965)	103 168 824
Landfill sites	4 733 320	-	-	-	(407 868)	4 325 452
Work in progress	42 816 109	50 043 121	-	(34 226 748)	-	58 632 482
	1 157 621 689	51 507 356	(7 599 266)	(2 538 840)	(66 080 725)	1 132 910 214

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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11. Property, plant and equipment (continued)

Property, plant and equipment in the process of being constructed or developed

The following infrastructure projects are taking significantly longer period of time to complete than expected and also been halted in the previous reporting period due to the following reasons:

(Infrastructure Assets) Construction of Cattle Custom Feed Project stopped due to disputes between the contractor and the municipality. The project was supposed to be completed in 2021/22 financial year.	-	716 078
	-	716 078

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Total
Opening balance	57 916 403	716 079	58 632 482
Additions / capital expenditure	33 285 801	-	33 285 801
Transferred to completed items	(22 804 204)	-	(22 804 204)
	68 398 000	716 079	69 114 079

Reconciliation of Work-in-Progress 2023

	Included within Infrastructure	Included within Community	Total
Opening balance	40 254 183	2 561 926	42 816 109
Additions / capital expenditure	48 696 496	1 346 625	50 043 121
Transferred to completed items	(31 034 276)	(3 192 472)	(34 226 748)
	57 916 403	716 079	58 632 482

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. There are no restrictions on the reliability of property, plant and equipment or the remittance of revenue and proceeds of disposal. There are no contractual obligations on property, plant and equipment.

Refer to note 40 for details about repairs and maintenance disclosure.

12. Payables from exchange transactions

Trade payables	634 674 040	531 410 715
Accrued leave pay	7 414 940	7 338 393
Accrued bonus	2 093 042	2 111 395
Other payroll accrual	6 386 685	4 328 716
Deposits received	2 539 756	2 300 468
Other payables	1 980 496	472 430
Retention	11 695 015	11 557 443
Credit balance in debtors	12 203 108	5 909 406
Amounts payable to principal	7 132 446	446 406
	686 119 528	565 875 372

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

12. Payables from exchange transactions (continued)

The average credit period on purchases is 30 days from the receipt of the invoice, as determined by the MFMA, except when the liability is disputed. No interest is charged for the first 30 days from the date of receipt of the invoice. Thereafter interest is charged in accordance with the credit policies of the various individual creditors that the municipality deals with. The municipality has policies in place to ensure that all payables are paid within the credit timeframe, however due to liquidity problems, the municipality was not able to meet payment commitments. Credit balances in debtors relates to overpaid debtors accounts.

Staff leave accrue to the staff of the municipality on an annual basis, subject to certain conditions. The accrual is an estimate of the amount due at the reporting date. Accrued thirteenth cheque relates to the thirteenth cheque payable annually on the employees birthday month by the municipality. The accrual is an estimate of the amount due at the reporting date.

Other payables consists of unidentified deposits received by the municipality from account holders

Refer to note 19 for further information on amounts due to agency arrangement principal

13. Consumer deposits

Electricity	1 312 069	1 312 123
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Consumer deposits from exchange transactions are paid by consumers on application for new electricity connections. The deposits are repaid when the electricity connections are terminated. In cases where consumers default on their accounts, the municipality can utilise the deposit as payment for the outstanding account. No interest is paid by the municipality on consumer deposits from exchange transactions held.

14. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Municipal Disaster Response Grant	3 290 481	-

Movement during the year

Additions during the year (All conditional grants)	103 443 846	94 254 638
Income recognition during the year (All conditional grants)	(100 153 365)	(94 254 638)
	3 290 481	-

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.

See note 24 for reconciliation of grants received.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
-----------------	------	------

15. Employee benefit obligations

Defined benefit plan

A long-service award is granted to municipal employees after the completion of fixed periods of continuous service with the municipality. The liability represents an estimation of the awards to which employees in the service of the municipality may become entitled to in the future, based on an actuarial valuation performed.

At 30 June 2024, 302 (2023: 178) employees were eligible for long-service awards.

The independent valuers, One Pangaea Expertise and Solutions (Pty) Ltd ('OPES'), have been engaged to carry out a GRAP 25: Employee benefits actuarial valuation of the municipality's liability as at 30 June 2024 arising out of the longservice awards to be awarded to qualifying in-service employees.

Long Service award obligation

Opening balance	4 586 965	5 642 000
Current service costs	462 925	672 000
Interest cost	439 050	664 000
Benefits paid	(787 102)	(419 220)
Acturial losses	(655 704)	(1 971 815)
	4 046 134	4 586 965

Key assumption used

Discount rate	11,11	10,47
Consumer price inflation	6,08	5,74
Normal salary increase rate	7,08	6,74
Net effective discount rate	3,76	3,49

Number of employees for the year ended 30 June 2024

Number of active employees	302	178
Salary weighted average age	46	39
Weighted average past service years	12	11

Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation-wholly unfunded	38 791 843	35 391 510
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Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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15. Employee benefit obligations (continued)

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired employees of the municipality. According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current conditions of service) is entitled to remain a continued member of such medical aid fund on retirement. The municipality is thus liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees. Currently the qualifying members will receive a 60% subsidy on the medical aid contributions.

The independent valuers, One Pangaea Expertise and Solutions (Pty) Ltd ('OPES'), have been engaged to carry out an GRAP 25: Employee Benefits actuarial valuation of the municipality's liability as at 30 June 2023 arising out of the post retirement medical aid plan awarded to qualifying in-service employees

Opening balance	35 391 510	33 729 000
Interest cost	4 427 356	3 331 000
Benefits paid	(2 035 250)	(1 983 249)
Actuarial (gains) losses	(4 197 715)	(673 242)
Current service cost	1 159 809	988 000
Balance at the end of the year	34 745 710	35 391 509

Current service costs are included in employee related costs in the statement of financial performance (refer to note 29).

Key assumptions used

Assumptions used at the reporting date:

Discount rate	12,21 %	12,88 %
Consumer price inflation	6,75 %	7,42 %
Healthcare cost inflation	8,25 %	8,92 %
Net discount rate	3,65 %	3,64 %

16. Provisions

Reconciliation of provisions - 2024

	Opening Balance	Interest cost	Change in estimate	Total
Rehabilitation of landfill site	17 768 462	2 029 336	2 893 495	22 691 293

Reconciliation of provisions - 2023

	Opening Balance	Interest cost	Change in estimate	Total
Rehabilitation of landfill site	16 931 241	1 796 151	(958 930)	17 768 462

Short term and long-term discounted liability for landfill closure costs

Current liabilities	2 709 341	2 029 336
Non-Current liabilities	19 981 951	15 739 125
	22 691 292	17 768 461

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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16. Provisions (continued)

Environmental rehabilitation provision

The municipality has an obligation to rehabilitate its landfill sites in terms of the conditions set out in the original licenses and subsequent extensions to the licenses. The estimated value of the rehabilitation cost of landfill sites has been determined as at 30 June 2024 by technical experts, One Pangaea Expertise and Solutions (Pty) Ltd ('OPES'). The provision is the best estimate of the value of the rehabilitation costs of the landfill sites to restore the sites at the end of their useful lives. The landfill sites are classified as non-current liabilities because the licenses have been extended.

The following assumptions were made when calculating the provision:

- Costs included in the provision relate only to estimated costs to be incurred relating to pre-closure, closure and post closure activities of the current landfill sites. Any costs associated with the new site will be capitalised to a new landfill asset in future.
- The exact topography of the both sites are not known and for this reason, estimates are based on the area of the landfill site as viewed on Google Earth.
- Cradock Landfill Site: Consolidation of the waste onto a smaller footprint to reduce closure costs, importing of soil from 100 to 500mm depending on the soil layer, placement of a geosynthetic clay liner, erosion protection and hydroseeding, a gas extraction system, a leachate cut off drain along the lower toe of the site and a 2,500 litre calcamite tank to address leachate was costed. It is also assumed that suitable soil and stone will be imported and that excavated material will be stockpiled for cover and final rehabilitation.
- Middelburg Landfill Site: The waste volumes in the license have been assumed to be correct. In addition, importing of soil from 100 to 500mm depending on the soil layer, placement of a geosynthetic clay liner, erosion protection and hydroseeding, a gas extraction system, a leachate cut off drain along the lower toe of the site and a 2,500 litre calcamite tank to address leachate was costed. It is also assumed that suitable soil and stone will be imported and that excavated material will be stockpiled for cover and final rehabilitation.
- It is assumed that Cradock will be able to rehabilitate their land over the extension period of 3 years.
- It is assumed that Middelburg will be able to rehabilitate their land over the extension period 8 years, however it is expected that the current landfill will be in use for 30 years. The provision is based on the license period.
- The previous year's costs have been escalated by the CPI rate of 6.51% (2023: 6.1716%).
- The following CPI rates were used in determining the future value of the estimated future costs:
 - Cradock: 6.51% (2023: 6.17%; 2022: 5.77%)
 - Middelburg: 6.51% (2023: 6.17%; 2021: 7.36%)
- The following discount rates were used in determining the present value of the estimated future costs:
 - Cradock: 11.94% (2023: 11.42%; 2022: 8.34%)
 - Middelburg: 11.94% (2023: 11.42%; 2022: 11.5%)

The discounted cost to rehabilitate the landfill sites are calculated to be:

Cradock landfill	17 862 091	15 003 938
Middelburg landfill	4 829 202	2 764 523
	22 691 293	17 768 461

17. Service charges

Sale of electricity	124 198 231	105 312 667
Refuse removal	28 480 028	27 002 266
	152 678 259	132 314 933

18. Rental of facilities and equipment

Premises		
Premises	1 400 615	1 320 519
Venue hire	222 237	223 262
	1 622 852	1 543 781

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
18. Rental of facilities and equipment (continued)		
Facilities and equipment		
Rental of facilities	-	39 186
Rental of equipment	78 740	28 616
Vehicle hire	3 759	228 363
	82 499	296 165
	1 705 351	1 839 946
Rental revenue earned on facilities and equipment is in respect of non-financial assets rented out. Rentals mainly consists of short-term rentals..		
19. Agency services		
Special permits	17 419	7 208
Roadworthy Certificates	376	563
Temporary permits	47 478	53 482
License fees - Motor Vehicles	2 140 817	2 253 299
Public driving permits	65 698	54 347
Drivers Licence - Test Fees	248 299	323 111
Drivers Licence Card - Application	387 454	262 608
Registration fees: Licences	896	252
	2 908 437	2 954 870
20. Other income		
Administration fees received	64 259	84 830
Cemetery fees	783 323	871 376
Clearance application fees	62 818	64 476
Commission received	145 460	155 852
Connection fees	230 889	21 547
Plan fees	287 041	128 025
Sundry fees	899 957	1 097 674
	2 473 747	2 423 780
21. Interest received		
Interest Received		
Bank	261 342	241 069
Interest charged on trade and other receivables	29 083 611	23 957 100
	29 344 953	24 198 169
22. Fair value adjustments		
Investment property (Fair value model)	868 011	(4 575 082)
23. Actuarial gains		
Actuarial gains for the year is stated after accounting for the following:		
Actuarial (gains)/losses on the post retirement medical benefit obligation	(4 197 715)	(673 242)
Actuarial gains on the long service award	(655 704)	(1 971 815)
	(4 853 419)	(2 645 057)

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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24. Property rates

Rates received

Residential	66 565 959	49 407 926
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Property rates are levied on the value of land and improvements, for which valuation is performed every four years. The last general valuation came into effect on 1 July 2020. Interim valuations are processed on a continuous basis to take into account changes in individual property values due to alterations and subdivisions. Rates are levied based on consumer choice (i.e. monthly or annually) on property owners and are payable the end of each month. Interest is levied at a rate determined by Council on outstanding rates amounts.

Valuations

Residential	1 695 402 700	1 642 314 000
Commercial	556 945 000	608 448 000
State	382 789 500	820 898 000
Small holdings and farms	7 643 623 901	7 529 015 400
Public Service Infrastructure	84 270 001	48 047 000
	10 363 031 102	10 648 722 400

25. Government grants & subsidies

Operating grants

Equitable share	54 269 000	50 744 000
Finance Management Grant	3 100 000	3 100 000
Expanded Public Works Programme Integrated Grant	2 050 000	1 778 000
Department of Sport, Recreational Arts and Culture: Libraries Grant	2 510 000	2 510 000
Local Government Sector Education and Training Authority	652 901	1 209 638
Municipal Infrastructure Grant	1 232 900	890 650
	63 814 801	60 232 288

Capital grants

Municipal Infrastructure Grant	23 425 100	23 922 350
Energy Efficiency and Demand-Side Management Grant	5 000 000	4 246 162
Disaster Response Grant	7 942 519	5 600 000
	36 367 619	33 768 512
	100 182 420	94 000 800

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

All registered indigents receive a monthly subsidy of R 268 (2023: R 268), which is funded from the grant.

Energy Efficiency and Demand-Side Management Grant

Current-year receipts	5 000 000	4 500 000
Conditions met - transferred to revenue	(5 000 000)	(4 500 000)
	-	-

Conditions still to be met - remain liabilities (see note 14).

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
25. Government grants & subsidies (continued)		
Financial Management Grant		
Current-year receipts	3 100 000	3 100 000
Conditions met - transferred to revenue	(3 100 000)	(3 100 000)
	-	-
Conditions still to be met - remain liabilities (see note 14).		
Provide explanations of conditions still to be met and other relevant information.		
Municipal Infrastructure Grant (Operational)		
Current-year receipts	1 232 900	890 650
Conditions met - transferred to revenue	(1 232 900)	(890 650)
	-	-
All conditions attached to this grant have been met.		
Municipal Infrastructure Grant (Capital)		
Current-year receipts	23 425 100	23 922 350
Conditions met - transferred to revenue	(23 425 100)	(23 922 350)
	-	-
All conditions attached to this grant have been met.		
Expanded Public Works Programme Integrated Grant		
Current-year receipts	2 050 000	1 778 000
Conditions met - transferred to revenue	(2 050 000)	(1 778 000)
	-	-
Department of Sport, Recreational Arts and Culture: Libraries Grant		
Current-year receipts	2 510 000	2 510 000
Conditions met - transferred to revenue	(2 510 000)	(2 510 000)
	-	-
All conditions attached to this grant have been met.		
Disaster Response Grant		
Current-year receipts	11 233 000	5 600 000
Conditions met - transferred to revenue	(7 942 519)	(5 600 000)
	3 290 481	-
All conditions attached to this grant have been met.		

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
25. Government grants & subsidies (continued)		
Local Government Sector Education and Training Authority		
Current-year receipts	652 901	1 209 638
Conditions met - transferred to revenue	(652 901)	(1 209 638)
	-	-

All conditions attached to this grant have been met.

26. Fines

Illegal Connections Fines	150 618	61 393
Law Enforcement Fines	120 012	15 293
Overdue Books Fines	3 163	938
	273 793	77 624

27. Interest on Eskom Debt write off

Interest on eskom debt written off	43 520 416	-
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The municipality entered into a payment arrangement with Eskom as a way of assisting the municipality to pay the outstanding amount of the debt. The arrangement involves the writing off of the Eskom debt if they adhere to the arrangement. The municipality adhered to the terms and conditions of the arrangement and as a result the interest debt was written off by Eskom.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
28. Services in-kind		
Services in-kind	2 069 340	3 969 546
The amount included in revenue arising from exchanges of goods or services are as follows:		
Service charges	152 678 259	132 314 933
Rental of facilities and equipment	1 705 351	1 839 946
Agency services	2 908 437	2 954 872
Other income	2 473 747	2 423 780
Fair value adjustments	2 503 421	-
Actuarial gains	4 853 419	2 645 057
Interest received - investment	29 344 953	24 198 169
	196 467 587	166 376 757
The amount included in revenue arising from non-exchange transactions is as follows:		
Taxation revenue		
Property rates	66 565 959	49 407 926
Transfer revenue		
Government grants & subsidies	100 182 420	94 000 800
Fines, Penalties and Forfeits	273 793	77 624
Interest Eskom Debt write off	43 520 416	-
Services in-kind	2 069 340	3 969 546
	212 611 928	147 455 896

Nature and type of services in-kind are as follows:

In terms of sec 23(6) of the Public Audit Act, if the audit fee exceeds one percent of the total current and capital expenditure of such auditee for the relevant financial year, such excess must be defrayed from the National Treasury's vote, provided that the National Treasury is of the view that the auditee has financial difficulty to settle the cost. This excludes national and provincial departments.

The Service in-kind amount is recognised when Treasury has paid to the Auditor General of South Africa the amount of the audit fee that is in excess of one percent of the total current and capital expenditure of such auditee for the relevant financial year. Further the Services in-kind is measured at the amount of the credit notes which appear in the AGSA statements.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
29. Employee related costs		
Basic	81 996 473	77 016 426
Bonus	5 293 349	4 965 289
Medical aid - company contributions	3 074 691	3 452 793
UIF	680 067	664 254
SDL	1 050 114	976 993
Defined contribution plans	11 435 164	10 912 942
Travel, motor car, accommodation, subsistence and other allowances	11 268 643	9 838 990
Overtime payments	6 499 231	5 327 931
Long-service awards	462 924	672 000
Acting allowances	1 776 697	1 539 953
Housing benefits and allowances	106 910	111 269
Other allowances	581 837	524 694
Group Life Insurance	936	936
Bargaing Council levy	51 798	38 041
Adjustments to post retirement medical obligation	1 253 648	1 026 259
	125 532 482	117 068 770
Refer to note 54 for remuneration paid to section 57 managers.		
30. Remuneration of councillors		
Executive Mayor	995 962	939 151
Mayoral Committee Members	2 841 594	2 551 391
Speaker	811 240	757 673
Councillors	3 886 966	3 552 274
Ward committee members' allowances	883 320	1 015 920
	9 419 082	8 816 409
In-kind benefits		
The Executive Mayor, Speaker and some executive committee members are full-time councillors. The Executive Mayor and Speaker are provided with an office and secretarial support at the cost of the Council. Remuneration of councillors includes the total earnings for the annum plus the employer contributions for the year. Refer to note 54 for details of remuneration paid to councillors.		
31. Finance costs		
Interest expense on rehabilitation provisions	2 029 336	1 796 151
Payables from exchange transactions	36 789 429	39 580 389
Interest expense on employee benefit obligations	4 866 406	3 995 000
	43 685 171	45 371 540
32. Depreciation		
Property, plant and equipment	51 220 728	66 080 725

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
33. Impairment loss		
Impairments		
Property, plant and equipment	3 423 766	-
There was an impairment on infrastructure due to the deterioration of the roads.		
Consumer debtors from exchange transactions	3 833 325	25 863 559
Consumer debtors from exchange transactions have been impaired as a result of non-payment by account holders. The municipality have implemented collection procedures against these accounts which have not been successful to date.		
Receivables from exchange transactions	614 454	830 175
Receivables from exchange transactions have been impaired as a result of non-payment by account holders. The municipality have implemented collection procedures against these accounts which have not been successful to date.		
Statutory receivables	5 170 434	17 542 072
Receivables from non-exchange transactions have been impaired as a result of non-payment by account holders. The municipality have implemented collection procedures against these accounts which have not been successful to date.		
	13 041 979	44 235 806
34. Lease rentals on operating lease		
Equipment		
Contractual amounts	1 398 884	1 595 947
35. Bad debts written off		
Bad debts written off	36 081 578	10 359 287
The council did approve a write off on irrecoverable debt. Council did assess the consumer accounts that who do qualify to be indigent and approve their outstanding debt.		
36. Bulk purchases		
Electricity - Eskom	116 868 088	94 959 057
Bulk purchases are the cost of commodities not generated by the municipality, which the municipality distributes in the municipal area for resale to consumers. Electricity is purchased from Eskom.		
37. Contracted services		
Consultants and Professional Services		
Preparation of financial statements and improving audit outcomes	9 444 780	1 600 000
Preparation of fixed asset register and implementing the performance management system	9 683 560	11 411 220
Municipal finance system maintenance	3 368 250	4 788 111
Other	13 442 322	3 637 255
	35 938 912	21 436 586
38. Loss on disposal of assets and liabilities		
Property, plant and equipment	233 509	7 531 737
39. Accounting by principals and agents		
The municipality is a party to a principal-agent arrangements.		

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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39. Accounting by principals and agents (continued)

Details of arrangement where municipality is the agent

The municipality has entered into a service level agreement with the Department of Transport to execute and deliver services on behalf of the Department of Transport in relation to registering authorities, driving license testing centres and vehicle testing stations. The Department of Transport is the principal and the municipality is the agent in the arrangement. The municipality benefits from the arrangement because it is able to collect additional revenue and there is no significant increase in risk to the municipality as a result of this arrangement. There has been no change to the arrangement in the current year.

The revenue collected as disclosed above is earned with as follows:

- Registering Authority: The municipality is entitled to 19% of the total amount collected and the balance of 81% accrues to the Department of Transport.
- Driving License Testing Centre: The municipality must deposit the prescribed amount to the Driving License Card Production Entity for each drivers' license card ordered. The municipality is entitled to all the fees collected other than the prescribed amount per card ordered.
- Vehicle Testing Station: The municipality is entitled to 97% of the revenue collected and the remainder accrues to the Department of Transport.

The municipality does not incur costs on behalf of the Department of Transport.

Municipality as agent

Revenue recognised

The aggregate amount of revenue that the entity recognised as compensation for the transactions carried out on behalf of the principal is R2 908 437 (2023: R2 954 872).

Payables recognised

Amount payable to principal R7 132 446 (2023: R446 406)

Entity as principal

Fee paid

Commission paid to prepaid vendors	1 843 236	1 532 762
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The municipality has directed various vendors through a binding arrangement to undertake transactions with third parties on behalf of Inxuba Yethemba Local Municipality, which is sale of municipal electricity. These are vendors which are used due to capacitation of the municipality and is more cost effective which provide customers easy access to prepaid electricity.

Electricity vendors are entitled to of claim 7% commission on sales of prepaid electricity.

40. Repairs and maintenance

Buildings and structures	563 740	262 269
Infrastructure	13 844 219	13 537 561
Office equipment and furniture	630 150	48 547
Tools and accessories	12 134	7 855
Vehicles	1 354 895	596 876
	16 405 138	14 453 108

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
41. General expenses		
Accounting fees	662 291	520 281
Advertising	892 731	423 652
Auditors remuneration	6 283 368	3 636 463
Bank charges	1 197 405	885 227
Commission paid	1 735 010	1 640 990
Computer expenses	610 757	578 880
Consulting and professional fees	870 085	4 903 080
Consumables	2 461 010	2 777 064
Donations	62 490	1 491 979
Hire	601 363	363 580
Insurance	3 546 837	2 938 816
Motor vehicle expenses	2 447 180	3 037 863
Printing and stationery	552 818	93 574
Security (Guarding of municipal property)	6 113 637	1 803 158
Subscriptions and membership fees	1 273 675	1 279 794
Telephone and fax	751 882	756 601
Training	8 846 880	885 556
Adjustment to provision for rehabilitation	-	(958 930)
Special programs and events	5 038 007	2 641 235
Other expenses	8 887 010	7 272 602
	52 834 436	36 971 465
42. Cash generated from operations		
Deficit	(96 851 292)	(159 657 968)
Adjustments for:		
Depreciation and amortisation	51 220 728	66 080 725
Gain on sale of assets and liabilities	233 509	7 531 737
Fair value adjustments	(868 011)	4 575 082
Impairment deficit	13 041 979	44 235 806
Bad debts written off	36 081 578	10 359 287
Adjustment to provisions for rehabilitation	-	(958 930)
Interest expense provisions for rehabilitation	2 029 336	1 796 151
Service in kind	(2 069 340)	-
Benefits paid on employee benefit obligation	(1 199 618)	(2 402 469)
Interest cost on employee benefit obligations	4 866 406	3 995 000
Interest on eskom write off	(43 520 416)	1 491 980
Inventory losses or write-downs	1 635 410	-
Prior period adjustment	-	(1 136 023)
Current service cost on employee benefit obligations	-	1 660 000
Actuarial losses / (gains) on employee benefit obligation	(4 853 419)	(2 645 057)
Other movements in PPE	610 720	-
Changes in working capital:		
Inventories	(1 801 131)	(7 450 126)
Receivables from exchange transactions	(776 869)	(2 550 703)
Consumer debtors	(1 542 493)	(31 191 635)
Other receivables from non-exchange transactions	(75 942 860)	(22 957 932)
Payables from exchange transactions	165 847 938	150 212 966
VAT	(824 635)	(8 212 457)
Unspent conditional grants and receipts	3 290 481	-
Consumer deposits	(54)	(3 086)
	48 607 947	52 772 348

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
43. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Community assets	-	1 107 338
• Infrastructure assets	68 493 968	31 916 403
	68 493 968	33 023 741

Total commitments

Total commitments		
Authorised capital expenditure	68 493 968	33 023 741

This committed expenditure relates to various capital projects and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated and grant income received.

Operating leases - as lessee (expense)

Minimum lease payments due		
- within one year	1 609 295	1 609 295
- within two years	871 701	2 480 996
	2 480 996	4 090 291

The lease agreements are for office equipment leased from 1 August 2017 for a period of 3 years and 2 additional machines leased from 1 March 2018 for a period of 29 months. The contract is still ongoing.

44. Distribution losses

Electricity losses (units)		
Electricity units (kWh) purchased from Eskom	59 370 562	56 956 704
Electricity units (kWh) sold to consumers	(49 695 913)	(50 122 513)
	9 674 649	6 834 191

Electricity losses for the financial year amounted to 16,27% (2023: 12%) of the electricity consumed in the area. Rand value of these electricity losses for the current financial year is R16 824 230,69 (2023: 10 338 763,66)

Technical losses are based on Transformer Efficiency and Line losses. The average transformer efficiency is 95% (industry average) therefore 1,8% of the losses are due to transformer losses (Hysteresis + Eddy-current). Line losses constitute approximately 3,1% of total loss. These remaining losses are attributable to electricity line losses within the electricity network infrastructure due to faulty meters and theft.

45. Contingent liabilities

2024

Adelaide Klara KOK vs Inxuba Yethemba Local Municipality - Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 44/2022. Estimated amount R66 359,67.

Charlene Vorster vs Inxuba Yethemba Local Municipality - Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 55/2022. Estimated amount R19 843,22.

Sipunzi vs Inxuba Yethemba Local Municipality - Unfair labour practice Case no : PR155/21.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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45. Contingent liabilities (continued)

Fortuin vs Inxuba Yethemba Local Municipality - Contempt of court application Case no: P130/22, Applicant abandoned contempt of court proceedings and will instead proceed with an application to quantify the arbitration award. Estimated amount R103 049.

Reza vs Inxuba Yethemba Local Municipality - Application for reconnection of electricity and ancillary relief launched against Municipality Case no: 95/2023. Estimated amount R100 000.

Vuyiseka Hukwe vs Inxuba Yethemba Local Municipality - Section 30 letter of demand received by municipality for a claim for damages due to injury. Estimated amount R400 000

Siphiwo G. Tyindi vs Inxuba Yethemba Local Municipality - A claim was instituted against the Municipality for damages by Plaintiff - breach of contract. Estimated amount R90 654.03.

Bebeza - Mili & Others vs Inxuba Yethemba Local Municipality - Unfair Labour Practice. Estimated amount R0.00

Msobomvu Human Capital (Pty) Ltd vs Inxuba Yethemba Local Municipality - Mining company who has instituted litigation against the municipality to have the cancellation of a purported verbal lease agreement declared unlawful and to regain access to the land on which they were mining/intend to mine. Estimated R0.00

Ncumisa Nwabisa Amelisa Mongo vs Inxuba Yethemba Local Municipality - New instruction - memorandum of advice will be prepared and submitted to the municipality in due course. Estimated amount R0.00

X Msweli vs Inxuba Yethemba Local Municipality - Unfair Labour Practice. Estimated R0,00

Nasiphi Qali vs Inxuba Yethemba Local Municipality - The case concerns insubordination, Disrespect by an employee(Nasiphi) to her senior director. The employee was dismissed by Internal disciplinary hearing based on insubordination and damage of property. She referred her dismissal as unfair . Estimated amount R0.00

Vuyokasi Dubusana vs Inxuba Yethemba Local Municipality - The case concerns dismissal of an employee (Vuyokasi),she referred her dismissal as unfair . Estimated amount R0.00

Ms Jane Songase vs Inxuba Yethemba Local Municipality - The dispute arises as a result of the deed of sale concluded between the Inxuba Yethemba municipality and Ms Jane Songase that was erroneously transferred to Queen Wayisa who drafted a will and bequeathed the house to her descendants. Estimated R200 000.

***The legal attorney could not estimate a specific exposure to the municipality. They estimated to be within the range of R100 000 to R200 000.*

CHARLES FEATHERSTONEHAUGH // INXUBA YETHEMBA MUNICIPALITY - Summons issued against Municipality for non-payment of monthly stipend of member of ward committee. Instructions received from MM to defend the matter. Plaintiff has done nothing to further the matter, awaiting the opposing attorney's advices on their client's intentions Estimated R21 000.

DIKGATO ENGINEERING CONSULTANTS // IYM - Contractual claim against the municipality Case no: 1484/2022. Matter defended. Litigation in its early stages. Estimated R677 925.31

WENDY LANGA // IYM - Claim for damages to motor vehicle due to pothole. Matter defended . Plaintiffs consented to rescission of judgment which was incorrectly granted. Plea filed and pleadings closed. Attending to discovery processes. Estimated R46 308,6

BUSISIWE DYANTYI // IYM - The municipality is sued for the incident which occurred on the 21 June 2021 at Siyabulela street lingelithe of child which was injured to death by a stormwater pipe. Case no : 2372/2022 Estimated R920 000

IYM in re: CLEARANCE FIGURES ERF 6398 CRADOCK - Dispute over provision of a clearance certificate due to outstanding rates and a dispute over who is responsible for payment of same. Estimated R0.00

IYM // ARENGO 316 (PTY) LTD - Property to be sold on auction by business rescue practitioners of Arengo 316 (Pty) Ltd - property was supposed to revert to the municipality once 5 years had lapsed and the project had not progressed. Property was never transferred back to municipality

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

2024

2023

45. Contingent liabilities (continued)

2023

Marthinus Andries Prinsloo vs Inxuba Yethemba Local Municipality - Matter concerns a claim for damages due to alleged pothole. Estimated amount R49 100,77.

Wendy Langa vs Inxuba Yethemba Local Municipality - Claim for damages to motor vehicle due to pothole. Matter defended. Estimated amount R46 308,61.

Dikgato Engineering Consultants vs Inxuba Yethemba Local Municipality - Contractual claim against the municipality Case no: 1484/2022. Estimated amount R677 925,31.

Laura Diesel vs Inxuba Yethemba Local Municipality - Claim for damages to motor vehicle due to pothole. Matter defended. Estimated amount R21 624,50.

Busisiwe Dyantyi vs Inxuba Yethemba Local Municipality - The municipality is sued for the incident which occurred on the 21 June 2021 at Siyabulela street ingelile of child which was injured to death by a stormwater pipe. Case no : 2372/2022. Estimated amount R920 000.

Adelaide Klara KOK vs Inxuba Yethemba Local Municipality - Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 44/2022. Estimated amount R66 359,67.

Shereno Printers vs Inxuba Yethemba Local Municipality - Letter of demand received by Municipality for payment of services rendered. Estimated amount R153 495.

Charlene Vorster vs Inxuba Yethemba Local Municipality - Instructions received from IYM to rescind Judgment against Municipality for refund of rates payment made to obtain clearance certificate Case no: 55/2022. Estimated amount R19 843,22.

Sipunzi vs Inxuba Yethemba Local Municipality - Unfair labour practice Case no : PR155/21.

Fortuin vs Inxuba Yethemba Local Municipality - Contempt of court application Case no: P130/22, Applicant abandoned contempt of court proceedings and will instead proceed with an application to quantify the arbitration award. Estimated amount R103 049.

Reza vs Inxuba Yethemba Local Municipality - Application for reconnection of electricity and ancillary relief launched against Municipality Case no: 95/2023. Estimated amount R100 000.

Irene Duda vs Inxuba Yethemba Local Municipality - Letter of demand received by Municipality for payment of acting allowance shortfall. Estimated amount R145 318.

Vuyiseka Hukwe vs Inxuba Yethemba Local Municipality - Section 30 letter of demand received by municipality for a claim for damages due to injury. Estimated amount R400 000.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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45. Contingent liabilities (continued)

Contingent assets

2024

Inxuba Yethemba Local Municipality vs Mr Reza - We issued Summons against Mr Reza for the amount of R580,085.73. Summons was successfully served on him. The matter will be mediated and, if mediation is unsuccessful, litigation will continue.

2023

Inxuba Yethemba Local Municipality vs Mr Reza - We issued Summons against Mr Reza for the amount of R580,085.73. Summons was successfully served on him. The matter will be mediated and, if mediation is unsuccessful, litigation will continue.

46. Unauthorised expenditure

Opening balance	633 039 020	528 550 465
Unauthorised expenditure in the current year	22 987 861	104 488 555
Less: Amount written off- current	(7 575 615)	-
Closing balance	648 451 266	633 039 020

Unauthorised expenditure is presented per department. The municipality has identified unauthorised expenditure during the current and prior periods.

Unauthorised expenditure: Budget overspending – per municipal department:

Technical services	-	66 659 103
Municipal Manager	19 641 782	15 730 639
Corporate Services	3 346 078	6 221 414
Finance	-	15 877 400
	22 987 860	104 488 556

47. Fruitless and wasteful expenditure

Opening balance- Restated	114 247 002	73 716 278
Interest on creditors incurred	1 322 580	40 530 724
Less: Amount written off	(703 072)	-
Closing balance	114 866 510	114 247 002

48. Irregular expenditure

Opening balance	472 656 034	436 624 967
Add: Irregular expenditure - (Non-compliance with laws and regulations) - current	58 219 678	36 031 067
Less: Irregular expenditure Written off	(72 742 569)	-
Closing balance	458 133 143	472 656 034

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
48. Irregular expenditure (continued)		
Incidents/cases identified in the current year include those listed below:		
R 2 000 to R 10 000 - Various suppliers	1 421 759	11 397
R 10 000 to R 30 000 - Various suppliers	6 270 036	193 127
R 30 000 to R 200 000 - Various suppliers	3 093 532	3 469 368
More than R 200 000 - Various suppliers	47 336 096	32 357 175
Human Resources related	98 255	-
	58 219 678	36 031 067
The municipality has identified irregular expenditure during the current and prior periods. Investigations into irregular expenditure have been performed for the financial years ending 30 June 2015 and 30 June 2016. As at 30 June 2024 the amounts had not yet been condoned by Council. At statement of financial position date, it is not known whether this expenditure is recoverable. No material losses were written off during the year. A register containing the details of irregular expenditure is available for inspection at the municipal offices.		
49. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to organised local government		
Balance payable at the beginning of the year	97 616	604 821
Current year subscription / fee	1 273 674	1 116 008
Additional invoices	5 000	6 000
Amount paid - current year	-	(1 629 213)
Balance payable at the end of the year	1 376 290	97 616
Audit fees (amounts excludes VAT)		
Balance payable at the beginning of the year	15 726 707	10 942 481
Audit fees charged in current year	4 238 790	4 298 465
Interest charged during the year	536 794	485 761
Balance payable at the end of the year	20 502 291	15 726 707
PAYE and UIF		
Balance payable at the beginning of the year	1 302 438	3 360 184
Contributions	11 116 122	14 989 459
Interest and penalties - current year	120 389	866 570
Amount paid - current year	(9 541 991)	(14 422 284)
Amount paid - previous years	(1 302 438)	(3 491 491)
Balance payable at the end of the year	1 694 520	1 302 438
Pension and Medical Aid Deductions		
Balance at the beginning of the year	3 998 719	4 655 248
Current year subscription / fee	23 092 674	23 827 254
Amount paid - current year	(24 300 123)	(24 483 783)
Balance payable at the end of the year	2 791 270	3 998 719

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand 2024 2023

49. Additional disclosure in terms of Municipal Finance Management Act (continued)

VAT

VAT 35 992 128 35 167 493

The municipality is on the payment basis for VAT and submit monthly returns. All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councilors had arrear accounts outstanding for more than 90 days at 30 June 2024:

30 June 2024	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Zonke, NP	-	1 555	1 555
Mbotya, TP	807	24 870	25 677
Davids, L	-	612	612
Masawe, SV	987	7 413	8 400
Mongo, NNA	290	-	290
Rasmeni, M	-	32 233	32 233
Biko, N	202	-	202
Dakuse, A	807	65 168	65 975
Featherstonehaugh, MH	852	2 403	3 255
Vorster, HB	-	249	249
Reeners, JJ	936	4 566	5 502
Samuals, C	-	(660)	(660)
Smith, Z	176	3	179
Desha, M	202	-	202
	5 259	138 412	143 671

30 June 2023	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Dakuse, A	548	55 870	56 418
Featherstonehaugh, MH	10 494	37 823	48 317
Jacobus, R	3 769	-	3 769
Masawe, SV	-	4 767	4 767
Mbotya, TP	383	11 401	11 784
Mongo, NNA	235	-	235
Rasmeni, M	548	43 946	44 494
Reeners, J	666	1 392	2 058
Smith, Z	-	1	1
van der Merwe, JHP	3 400	89 869	93 269
Zonke, NP	-	1 890	1 890
	20 043	246 959	267 002

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
49. Additional disclosure in terms of Municipal Finance Management Act (continued)		
Supply chain management regulations		
In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved/condoned by the City Manager and noted by Council. The expenses incurred as listed hereunder have been condoned.		
Incident		
Sole / single supplier	922 185	2 643 543
Emergencies	398 326	4 209 318
Exceptional cases	260 182	226 964
Impractical to use another supplier	44 175	172 162
Deviations with no reason	-	94 090
Invalid Deviations	7 972 922	7 331 122
	9 597 790	14 677 199

50. Going concern

We draw attention to the fact that at 30 June 2024, the municipality had an accumulated surplus of R 575 391 212 and that the municipality's current liabilities exceed its current assets by R 561 762 944. In addition, the municipality incurred a deficit of R 96 851 292 (2023: R 159 657 968). The municipality continues to experience cash flow challenges with a net outflow of cash reserves in the current financial year. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business. The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the municipal manager continues to procure funding for the ongoing operations of the municipality.

51. Events after the reporting date

No material fact or circumstance has occurred between the accounting date and the date the annual financial statements are authorised for issue other than those items already mentioned which required disclosure in the annual financial statements.

52. Risk management

Financial 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.

At 30 June 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	676 611 546	-	-	-
At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from exchange transactions	556 425 584	-	-	-

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
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52. Risk management (continued)

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 counterparty.

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 board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2024	2023
Cash and cash equivalents	5 667 436	2 307 158
Receivables from exchange transactions	1 882 943	1 720 528
Receivables from non-exchange transactions	49 169 090	14 478 232
Consumer debtors from exchange transactions	31 911 954	34 202 796

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.

53. Financial instruments disclosure

Categories of financial instruments

2024

Financial assets

	At amortised cost	Total
Receivables from exchange transactions	1 882 943	1 882 943
Debtors from non-exchange transactions	48 598 167	48 598 167
Consumer debtors	31 911 954	31 911 954
Cash and cash equivalents	5 667 436	5 667 436
	88 060 500	88 060 500

Financial liabilities

	At amortised cost	Total
Trade and other payables from exchange transactions	676 611 546	676 611 546
Consumer deposits	1 312 069	1 312 069
	677 923 615	677 923 615

2023

Financial assets

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand	2024	2023
53. Financial instruments disclosure (continued)		
	At amortised cost	Total
Receivables from exchange transactions	1 720 528	1 720 528
Debtors from non-exchange transactions	13 921 334	13 921 334
Consumer debtors	34 202 796	34 202 796
Cash and cash equivalents	2 307 158	2 307 158
	52 151 816	52 151 816
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	556 425 584	556 425 584
Consumer deposits	1 312 123	1 312 123
	557 737 707	557 737 707

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

54. Related parties

Section 57 managers

Municipal Manager (Full year)	Mbebe, MWM
Chief Financial Officer (1 March 2024 to 03 May 2024)	Hanana, L
Chief Financial Officer (1 July 2023 to 31 July 2023)	Boti, N
Acting Chief Financial Officer (1 August 2023 to 28 February 2024)	Hanana,LS
Acting Chief Financial Officer (6 May 2023 to 30 June 2024)	Singeni, V
Director of Local Economic Development (Full year)	Makwabe, NM
Director of Corporate Services (Full year)	Dayi SJ
Director of Community Services (Full year)	Majiba, NT
Director of Technical Services (1 July 2023 to 30 November 2023)	Nomandela, S
Director of Technical Services (1 March 2024 to 30 June 2024)	Nomandela, S
Acting Director of Technical Services (1 December 2023 to 29 February 2024)	Makwabe, NM

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

54. Related parties (continued)

Remuneration of management

Mayoral committee members

2024

	Councillors' allowance	Other allowances	Total
Position and name			
Mayor - Zonke, NP	727 525	274 342	1 001 867
Speaker - Mbotya, TP	585 845	230 869	816 714
MPAC Chairperson - Biko, N	391 604	46 353	437 957
Executive committee member - Davids, L	716 068	45 353	761 421
Executive committee member - Masawe, SV	548 720	217 345	766 065
Executive committee member - Mongo, NNA	307 957	141 746	449 703
Executive committee member - Ndongose, S	307 057	141 746	448 803
	3 584 776	1 097 754	4 682 530

2023

	Councillors' allowance	Other allowances	Total
Position and name			
Mayor - Zonke, NP	663 400	273 599	936 999
Speaker - Mbotya, TP	534 112	223 432	757 544
Executive committee member - Davids, L	547 686	45 434	593 120
Executive committee member - Masawe, SV	497 550	211 987	709 537
Executive committee member - Mongo, NNA	277 574	136 925	414 499
Executive committee member - Ndongose, S	277 547	136 925	414 472
MPAC Chairperson - Biko, N	351 949	51 684	403 633
	3 149 818	1 079 986	4 229 804

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

54. Related parties (continued)

Councillors

2024

	Councillors' allowance	Other allowances	Total
Position and name			
Councillor - Dakuse, A	305 865	46 353	352 218
Councillor - Desha, M	305 865	46 353	352 218
Councillor - Samuels, C	305 865	46 353	352 218
Councillor - Smith, Z	228 824	118 503	345 327
Councillor - Van der Merwe, JHP	233 203	118 503	351 706
Councillor - Vorster, HB	216 450	118 503	334 953
Councillor - Featherstonehaugh, MH	233 034	118 503	351 537
Councillor - Jacobs, R	233 715	118 503	352 218
Councillor - Reeners, JJ	233 715	118 503	352 218
Councillor - Lawens, BL	233 715	118 503	352 218
Councillor - Rasmeni, M	233 715	118 503	352 218
	2 761 966	1 087 083	3 849 049

2023

	Councillors' allowance	Other allowances	Total
Position and name			
Councillor - Jacobs, R	209 941	114 381	324 322
Councillor - Jacobs, R	209 941	114 381	324 322
Councillor - Featherstonehaugh, MH	209 941	114 381	324 322
Councillor - Jacobs, R	209 941	114 381	324 322
Councillor - Lawens, BL	209 941	114 381	324 322
Councillor - Rasmeni, M	209 942	114 381	324 323
Councillor - Reeners, JJ	209 942	114 381	324 323
Councillor - Samuels, C	274 245	50 077	324 322
Councillor - Smith, RJ	104 714	55 606	160 320
Councillor - Smith, Z	97 720	53 321	151 041
Councillor - van der Merwe, JHP	210 452	114 381	324 833
Councillor - Vorster, HB	209 941	114 381	324 322
	2 366 661	1 188 433	3 555 094

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

54. Related parties (continued)

Executive management

2024

Position	Salary and acting allowances	Contributions to UIF, Medical and Pension Funds	Other allowances	Total
Municipal Manager - Mbebe, MWM	1 221 589	15 686	420 401	1 657 676
Chief Financial Officer - Hanana, L	234 123	2 350	59 877	296 350
Chief Financial Officer - Boti, N	140 205	1 993	28 637	170 835
Acting Chief Financial Officer - Hanana, L	1 004 709	113 800	82 651	1 201 160
Acting Chief Financial Officer - Singeni, V	708 820	131 163	111 282	951 265
Director of Local Economic Development - Makwabe, NM	1 208 722	14 374	343 644	1 566 740
Director of Corporate Services - Dayi SJ	1 005 978	16 109	343 644	1 365 731
Director of Community Services - Majimba, NT	1 005 978	13 209	343 637	1 362 824
Director of Technical Services - Nomandela, S	933 122	11 761	259 828	1 204 711
	7 463 246	320 445	1 993 601	9 777 292

2023

Position	Salary and acting allowances	Contributions to UIF, Medical and Pension Funds	Other allowances	Total
Municipal Manager - Mbebe, MWM	1 098 507	14 980	400 448	1 513 935
Chief Financial Officer - Boti, N	287 616	4 401	111 212	403 229
Chief Financial Officer - Mulaudzi, KL	146 126	1 746	23 858	171 730
Director of Local Economic Development - Makwabe, NM	955 456	13 782	332 404	1 301 642
Director of Corporate Services - Dayi, SJ	806 727	11 104	290 051	1 107 882
Director of Community Services - Twalo, NO	12 676	254	-	12 930
Director of Community Services - Majiba, NT	892 084	12 439	313 908	1 218 431
Director of Technical Services - Nomandela, S	920 605	12 560	313 908	1 247 073
	5 119 797	71 266	1 785 789	6 976 852

Salaries, allowances and benefits of the political office-bearers and councillors are within the upper limits of the framework envisaged in section 219 of the Constitution:

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

55. Segment information

General information

Identification of segments

"The municipality operates within 4 distinctive segments. The municipality has appointed a director to manage and control the performance of each segment. They are grouped as per their common activities as per strategic mandate such as Community Services, Technical Services and Local Economic Development Services. The municipality uses the same segments to determine strategic objectives.

Information reported about these segments is used by municipality as the basis for evaluating the segments performances and for making decision about the allocation of resources. The disclosure of the information is considered about these segments is also considered appropriate for external purposes.

The first segment is Community Services and this segment is mandated with providing basic services to the communities of Inxuba Yethemba Local Municipality. Its main functions are cemeteries, funeral parlours and crematoriums, civil defence, community parks (including nurseries), fire fighting and protection, libraries and archives, museums and art galleries, police forces, traffic and street parking control, recreational facilities, solid waste removal, and sports grounds and stadiums.

The second segment is Technical Services which is mandated with providing infrastructure services to Inxuba Yethemba Local Municipality. Its main function is the provision of public road and electricity infrastructure.

The third segment is Local Economic Development which is to provide economic development to communities of Inxuba Yethemba Local Municipality. Its main functions are cultural matters, economic development/planning, housing, and town planning, building regulations and enforcement, and city engineering.

The fourth segment is a combination of segments' activities are included as administrative and/or revenue generating functions. The Municipal Manager's office, Corporate Services and the Finance Office have been aggregated because these functions share in the same regulatory environment and offer the same internal service. The key sources of revenue include levying of taxes, provision of electricity and waste removal services and agency fees. Management report on these distinct segments on a monthly basis."

Accounting policies applied when compiling segment reports are consistent with those applied to the municipality as a whole.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2024

Revenue	Administrative support	Community Services	LED Services	Technical services	Total
Revenue from exchange transactions: Service Charges	5 830 999	(33 404 824)	(125 499 738)	395 104	(152 678 259)
Revenue from exchange transactions: Rental of Facilities & Equipment	(1 536 896)	(56 428)	(20 017)	(92 010)	(1 705 351)
Revenue from exchange transactions: Agency Services	(14 782)	(2 893 655)	-	-	(2 908 437)
Revenue from exchange transactions: Other Income	(1 085 481)	(859 446)	(241 992)	(286 828)	(2 473 747)
Revenue from exchange transactions: Investment Revenue	(29 344 953)	-	-	-	(29 344 953)
Revenue from exchange transactions: Fair value adjustments	868 011	-	-	-	868 011
Revenue from exchange transactions: Actuarial losses	(4 863 419)	-	-	-	(4 863 419)
Revenue from non-exchange transactions: Property rates	(66 565 959)	-	-	-	(66 565 959)
Revenue from non-exchange transactions: Government grants and subsidies	(58 021 901)	(4 560 000)	(37 600 519)	-	(100 182 420)
Revenue from non-exchange transactions: Fines	-	(123 175)	(150 618)	-	(273 793)
Revenue from non-exchange transactions: Interest Eskom Debt	(43 520 416)	-	-	-	(43 520 416)
Revenue from non-exchange transactions: Service in-kind	(2 069 340)	-	-	-	(2 069 340)
Total segment revenue	(200 314 137)	(41 897 328)	(163 512 884)	16 266	(407 444 105)
Entity's revenue					(407 444 105)

Inxuba Yethemba Local Municipality

(Registration number EC131)
Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

Expenditure	Administrative support	Community Services	LED Services	Technical services	Total
Employee related costs	62 090 420	37 072 721	2 342 466	24 026 874	125 532 481
Remuneration of councillors	9 419 082	-	-	-	9 419 082
Depreciation and asset impairment	22 297	-	-	51 198 431	51 220 728
Reversal of Impairments	3 423 766	-	-	9 618 213	13 041 979
Finance Costs	43 685 171	-	-	-	43 685 171
Lease rentals on operating lease	-	-	-	1 398 884	1 398 884
Bad debts written off	-	36 081 578	-	-	36 081 578
Bulk purchases	-	-	-	116 868 088	116 868 088
Contracted Services	35 938 912	-	-	-	35 938 912
Loss on disposal of PPE	233 509	-	-	-	233 509
Inventories losses/write-downs	1 635 410	-	-	-	1 635 410
General expenses	36 615 600	2 227 918	396 893	13 594 025	52 834 436
193	588 691	9 196 558	106 378	6 514 512	16 405 139
Total segment expenditure	193 652 858	84 577 775	2 845 737	223 219 027	504 295 397
Total segmental surplus/(deficit)	(6 661 279)	42 680 447	160 667 147	223 235 293	(96 851 292)
Assets					
Current assets	1 010 549	(49 470)	2 517 948	128 189 448	131 668 475
Non-Current Assets	1 175 147 217	7 065 742	-	13 714 991	1 195 927 950
Total segment assets	1 176 157 766	7 016 272	2 517 948	141 904 439	1 327 596 425
Total assets as per Statement of financial Position					1 327 596 425
Liabilities					
Current Liabilities	(460 756 987)	(36 597 246)	(162 420 895)	(33 656 291)	(693 431 419)
Non-Current Liabilities	(58 773 794)	-	-	-	(58 773 794)
Total segment liabilities	(519 530 781)	(36 597 246)	(162 420 895)	(33 656 291)	(752 205 213)

Inxuba Yethemba Local Municipality

(Registration number EC131)
Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

	Administrative support	Community Services	LED Services	Technical services	Total
55. Segment information (continued)					
Total liabilities as per Statement of financial Position					(752 205 213)

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment Information (continued)

2023

Revenue	Administrative support	Community Services	Technical Services	LED Services	Total
Revenue from exchange transactions: Agency Services	3 261	2 951 611	-	-	2 954 872
Revenue from exchange transactions: Interest income	24 198 169	-	-	-	24 198 169
Revenue from exchange transactions: Sundry fees and income	665 949	881 018	748 788	128 025	2 423 780
Revenue from exchange transactions: Rental of facilities and equipment	1 392 712	129 994	272 041	45 198	1 839 945
Revenue from exchange transactions: Service charges	(6 737 469)	32 085 867	107 137 460	(170 925)	132 314 933
Revenue from exchange transactions: Actuarial gains	2 645 057	-	-	-	2 645 057
Revenue from non-exchange transactions: Property rates	49 977 784	-	-	-	49 977 784
Revenue from non-exchange transactions: Government grants and subsidies	55 053 638	4 288 000	34 659 162	-	94 000 800
Revenue from non-exchange transactions: Fines	-	16 231	61 393	-	77 624
Revenue from non-exchange transactions: Services in-kind	3 969 546	-	-	-	3 969 546
Total segment revenue	131 168 647	40 352 721	142 878 844	2 298	314 402 510
Entity's revenue					314 402 510

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

Figures in Rand

55. Segment information (continued)

	Administrative support	Community Services	Technical Services	LED Services	Total
Expenditure					
Employee related costs	56 037 777	34 972 012	23 923 486	2 135 495	117 068 770
Remuneration of councillors	8 816 409	-	-	-	8 816 409
Depreciation and asset impairment	-	-	66 080 725	-	66 080 725
Impairment	-	40 313 264	3 922 542	-	44 235 806
Finance charges	43 575 389	1 796 151	-	-	45 371 540
Lease rentals	1 595 947	-	-	-	1 595 947
Bad debts written off	-	10 359 287	-	-	10 359 287
Bulk purchases	-	-	94 959 057	-	94 959 057
Contracted Services	21 436 586	-	-	-	21 436 586
Fair value adjustments	4 575 082	-	-	-	4 575 082
Repairs & maintenance	225 446	779 303	13 321 242	127 117	14 453 108
General expenses	31 112 163	(205 697)	5 934 533	165 568	37 006 567
Loss on disposal of property, plant and equipment	7 531 737	-	-	-	7 531 737
Total segment expenditure	174 906 536	88 014 320	208 141 585	2 428 180	473 490 621
Total segmental surplus/(deficit)	(43 737 889)	(47 661 599)	(65 262 741)	(2 425 882)	(159 088 111)
Assets					
Current assets	(35 887 344)	28 649 321	101 491 042	516 416	94 769 435
Non-Current Assets	1 151 788 246	-	50 619 253	-	1 202 407 499
Total segment assets	1 115 900 902	28 649 321	152 110 295	516 416	1 297 176 934
Total assets as per Statement of financial Position					1 297 176 934
Liabilities					
Current Liabilities	(395 231 130)	(35 234 499)	(136 612 710)	(2 138 492)	(569 216 831)
Non-Current Liabilities	(55 717 600)	-	-	-	(55 717 600)
Total segment liabilities	(450 948 730)	(35 234 499)	(136 612 710)	(2 138 492)	(624 934 431)

Notes to the Annual Financial Statements

Figures in Rand

	Administrative support	Community Services	Technical Services	LED Services	Total
55. Segment information (continued)					
Total liabilities as per Statement of financial Position					(624 934 431)

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

Geographic information

The municipality operates in Inxuba Yethemba Municipality which areas cover two major towns, namely Cradock and Middelburg along with a few smaller siding and villages. The municipality does not report by geographic segment other than on trade receivables from exchange and non exchange transactions

Inxuba Yethemba Local Municipality

(Registration number EC131)

Annual Financial Statements for the year ended 30 June 2024

Notes to the Annual Financial Statements

56. Prior-year adjustments

	Note	As previously reported	Correction of error	Restated
Depreciation	1	66 058 020	22 705	66 080 725
Property rates	2	(49 977 784)	556 898	(49 420 886)
Other income	3	(2 103 681)	(320 099)	(2 423 780)
Service Charges	4	(132 264 836)	(50 097)	(132 314 933)
Employee related costs	5	117 039 711	29 059	117 068 770
Contracted Services	6	21 435 694	892	21 436 586
General Expenditure	7	36 420 812	585 755	37 006 567
Property, Plant and Equipment	8	1 130 672 788	2 237 426	1 132 910 214
Vat Receivable/(Payable)	9	34 795 231	372 262	35 167 493
Investment Property	10	52 956 700	520 586	53 477 286
Inventory	11	7 188 906	261 220	7 450 126
Payables from exchange transactions	12	(562 463 920)	(3 411 452)	(565 875 372)
Statutory receivable	13	14 478 232	(556 898)	13 921 334
Accumulated Surplus	14	(672 819 358)	564 961	(672 254 397)
		-	-	-

1. Depreciation was adjusted by 22 705 due to restatement of infrastructure assets.;

2. Property rates receivables due to incorrect billing based on the categories of the properties and changes in value of the properties.

3. Other income was was previously understated as a result of the transactions incorrectly processed in payables.

4. Service charges were understated as result of transactions incorrectly mapped to payables now corrected.

5. Employee related costs was understated due to subsistence and travelling expenses recorded in the incorrect period.

6. Contracted Services was understated as a result of transactions captured in the incorrect period.

7. General expenditure was understated as a result of transactions captured in the incorrect period.

8. Property plant and Equipment was adjusted for the following line items which were accounted for incorrectly in the prior year;

Work in progress was adjusted by R1 058 875 understated in the prior year.

Infrastructure assets was adjusted by R1 178 652 being adjustment of an invoice not accrued the prior year and depreciation adjustment

9. Vat was adjusted R372 262 due to adjustments on general expenditure and payables adjustments;

10. Investment Property increased by R520 558 due to invoice not capitalised in prior year.

11. Inventory was adjusted by R261 220 due to land which was not previously recognised the the municipality's records and land sold in prior years but not derecognised the register.

12. The reported other payables was not agreeing to the the amount accounted for in the accounting records resulting in overstatement of payables and capital expenditure transactions were not accounted correctly in the prior year resulting in adjustments to payables.

13 Statutory receivables due to incorrect billing based on the categories of the properties and changes in value of the properties.

14. Accumulated Surplus was adjusted due to adjustments on various adjustments above.



INXUBA YETHEMBA LOCAL MUNICIPALITY

Audit Report

For the year ended 30 June 2024



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Report of the auditor-general to the Eastern Cape Provincial legislature and council on Inxuba Yethemba Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Inxuba Yethemba Local Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual information 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 Inxuba Yethemba Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of the Revenue Act of South Africa (Act no. 5 of 2023 (Dora)).

Basis for opinion

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

Material uncertainty relating to going concern

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.
7. I draw attention to note 50 of the financial statements, which indicates that an accumulated surplus of R575, 4 million was incurred during the year ended 30 June 2024 and, as of that date the current liabilities exceeded its current assets by R561, 8 million. As stated in note 50, these events or conditions, along with other matters as set forth in note 50, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

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

Restatement of corresponding figures

9. As disclosed in note 56 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Irregular expenditure

10. As disclosed in note 48 to the financial statements, irregular expenditure to the amount of R58, 1 million was incurred, as a result of non-compliance with procurement laws and regulations.

Material impairments and losses

11. As disclosed in note 35 to the financial statements, material impairments on consumer debtors of R3, 8 million (2022-23: R25, 9 million) were incurred as a result of non-payment by account holders and poor debt collection as well as material losses of R36, 1 million (2022-23: R10,4 million) statutory receivables and consumer debtors were incurred as a result of a write-off of irrecoverable trade debtors.
12. As disclosed in note 44 to the financial statements, material electricity losses of R16, 8 million (2022-23: R10, 3 million) was incurred, which represents 16.27% (2022-23: 12%) of total electricity purchased.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the 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.
16. 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

17. 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.
18. 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 pages 12 and 13, forms part of our auditor's report.

Report on the annual performance report

19. 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.
20. 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 2024. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Number of solid waste programmes implemented
 - Number of waste management machineries purchased
 - Number of street lights retrofitted
 - Number of meters of road infrastructure paved
 - Number of high mast lights erected
 - Number of IYM facilities refurbished
 - Number of meters of Cradock streets rehabilitated
21. 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.

22. 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 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.

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

24. I did not identify any material findings on the reported performance information for the selected indicators.

Other matters

25. I draw attention to the matters below.

Achievement of planned targets

26. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.

27. The table that follows provide information on the achievement of planned targets and list the key indicator that was not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 44 to 48.

Basic service delivery and infrastructure development

<i>Targets achieved: 87.5%</i> <i>Budget spent: 104.2%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of IYM facilities refurbished	1	0

Report on compliance with legislation

28. 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.
29. 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.
30. 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.
31. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements, performance, and annual reports

32. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, liabilities, revenue, expenditure and disclosure items 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.

Expenditure management

33. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
34. Reasonable steps were not taken to prevent irregular expenditure amounting to R23, 1 million as disclosed in note 48 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 supply chain regulations.

35. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R1, 3 million, as disclosed in note 47 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 by creditors due to late payments.
36. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R22, 9 million, as disclosed in note 46 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by the municipality exceeding its available budget.

Consequence management

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

Procurement and contract management

40. Some of the contracts were awarded to bidders based on points given for legislative requirement that differed from those stipulated in the original invitation for bidding, in contravention of SCM regulations 21(b) and 28(1)(a)(i) and the Preferential Procurement Regulations. This non-compliance was identified in the procurement processes for the Upgrading of Cradock sports field.
41. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM Regulation 43. Similar non-compliance was also reported in the prior year.
42. Goods or services procured under contracts secured by other organs of state were not procured in accordance with SCM Regulation 32 as the prices paid were not the same as the original contract and the municipality procured beyond the scope of the original contract.
43. The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
44. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of section 2(1)(a) Preferential Procurement Policy Framework Act and its regulations. This non-compliance was identified in the procurement processes for the Upgrading of Cradock sports field
45. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of section 2(1)(a) Preferential Procurement Policy Framework Act and its regulations.

46. Sufficient appropriate audit evidence could not be obtained that contracts and quotations were awarded to bidders that scored the highest points in the evaluation process as required by section 2(1)(f) of Preferential Procurement Policy Framework Act and 2022 Preferential Procurement Regulation 4(4). This non-compliance was identified in the procurement processes for the Upgrading of Cradock sports field.

Other information in the annual report

47. 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 development priority presented in the annual performance report that have been specifically reported on in this auditor's report..
48. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
49. 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 development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
50. I did not receive other information prior to the date of this audit report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

51. 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.
52. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
53. Management did not implement proper record keeping and perform monthly reconciliations consistently throughout the year, as material findings were identified in the annual financial statements, and procurement and contract management. The work of consultants was also not monitored and reviewed regularly, resulting to material corrections being made in the financial statements. Furthermore, the management did not monitor compliance with laws and regulations, as numerous instances of non-compliance were identified in the current year.

Material irregularities

54. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Municipal accounts not paid within 30 days of receiving the invoice or relevant statement

55. The municipality failed to make payments to Eskom within 30 days resulting in the municipality incurring a financial loss of R11, 5 million up to 30 June 2020 in the form of interest charged on the late payments. The late payment constitutes a contravention of section 65(2)(e) of the MFMA, which requires that the accounting officer should take all reasonable steps to ensure that all money owing by the municipality is paid within 30 days of receiving the relevant invoice or statement. After the financial loss stated above, the municipality incurred a further R17 million in interest.

56. In the 2022 audit report, I reported on the recommendations that I issued to the accounting officer relating to this material irregularity (MI) after the accounting officer failed to provide a response to the notification, issued to him on 31 January 2022. These recommendations are outlined below:

- Negotiate a reasonable payment arrangement with Eskom and properly budget for the amount to be paid.
- Implementing the appropriate controls to enable the timely payment to Eskom, whilst reducing costs by eliminating wastage and obtaining value in respect of all costs incurred.
- Appropriate action should be taken to implement the existing financial plan to address the financial problems of the municipality that are preventing it from paying Eskom within 30 days, as required by MFMA section 65(2)(e). The financial plan should include realistic timeframes and milestones to be achieved and include as minimum strategies to increase the collection of revenue; and to reduce distribution losses.

57. On 31 March 2023 and 31 May 2023, the accounting officer provided progress reports on the actions taken to implement the recommendations. I evaluated the progress reports and substantiating documentation received on the actions taken to implement the recommendations. As some of the actions taken to address the MI are still in progress and not yet completed, I granted the accounting officer an additional six months up to 1 July 2024 to implement the recommendations. A progress report must be provided on 1 April 2024 on the implementation of the recommendations.

58. On 25 November 2023, I granted an additional six (6) months to the accounting officer to implement the recommendations based on the fact that the application for debt relief in terms of the National Treasury (NT) circular on Eskom debt was in process. .

59. The accounting officer submitted his progress report on 8 April 2024 with substantiating documentation supporting the progress made. The NT approved the municipality's application for debt relief on 23 November 2023.
60. The accounting officer submitted a response on 2 July 2024 however, the final response was not supported by substantiating documentation and after assessment, and shortcomings were noted. The accounting officer was granted an opportunity to address the shortcomings noted and to submit further evidence by 30 August 2024
61. I received a supplementary response and substantiating documentation on 6 September 2024 and I am in the process of assessing the response.
62. I will follow up on the implementation of actions during my next audit.

Auditor - General

East London

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

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

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the 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	Section 1 - Paragraph (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
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)
	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a),

Legislation	Sections or regulations
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)

Legislation	Sections or regulations
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), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)