

DRAFT 2024/25 ANNUAL REPORT

AM AHLATHI LOCAL MUNICIPALITY



1. VISION

A resilient, sustainable people-centred local municipality

2. MISSION

A model municipality in partnership with its community through quality service delivery local economic development and public participation.

3. CORE VALUES

Accountability

Model

Accessibility

Healthy

Loyalty

Authentic

Trust

Honesty

Integrity

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ACRONYMS

IDP- Integrated Development Plan	
PDP- Provincial Development Plan	
SCM- Supply Chain Management	
MIG- Municipal Infrastructure Grant	
SDBIP- Service Delivery & Budget Implementation Plan	
MRM- Moral Regeneration Movement	
MPAC -Municipal Public Accounts Committee	
FMG- Finance Municipal Grant	
MSIG- Municipal Systems Improvement Grant	
LLF- Local Labour Forum	
MM- Municipal Manager	
CFO- Chief Finance Officer	
MTREF- Medium Term Revenue Expenditure Framework	
GRAP- General Recognised Accounting Practise	
SANRAL- South African National Road Agency Limited	
SALGA- South African Local Government Association	
ADM- Amathole District Municipality	
NER- National Electricity Regulations	
SMMEs- Small Medium and Micro Enterprises	
HR- Human Resource	
OHS- Occupational Health and Safety	
MFMA- Municipal Finance Management Act	
CCLR- Councillor	
PR CLLR- Proportional Representative Councillor	
PMS- Performance Management System	
IGR- Intergovernmental Relations	
DCF- District Communicators Forum (DCF)	
DEDEAT- Department of Economic Development Environmental Affairs and Tourism	

DRDAR- Department of Rural Development and Agrarian Reform

NGO- Non- Governmental Organisations

AFS- Annual Financial Statements

CIPC- Companies & Intellectual Property Commission

KPI- Key Performance Indicator

KPA- Key Performance Area

TCS- Traffic Contravention System

DPSA- Department of Public Services and Administration

VAT- Value Added Tax

AOPO- Audit of Predetermined Objectives

MTEF- Medium Term Expenditure Framework

SMART - Specific Measurable Assignable Realistic Time-related

HODs- Head of Departments (HO-Ds)

ICT- Information Communication Technology

PPE- Property Plant & Equipment

FAR- Fixed Asset Register

AC- Audit Committee

MPRA- Municipal Property Rates Acts

AG- Auditor General

FY- Financial Year

COGTA- Cooperative Governance and Tradition Affairs

KKH- Keiskammahoek

SLA- Service Level Agreement

DR- Disaster Recovery

IT- Information Technology

MEC- Member of Executive Council

Q1- Quarter 1

Q2- Quarter 2

Q3- Quarter 3

Q4- Quarter 4

AO- Accounting Officer

IA- Internal Audit

PPP- Private Public Partnership

N/A- Not Applicable

ALM- Amahlathi Local Municipality

EPWP- Extended Public Work Programme

GSFPA- Greater Stutterheim Fire Protection Association

UIF- Unemployment Insurance Fund

CA- Chartered Accountant

SA- South Africa

SPU- Special Programs Unit

LTO- Local Tourism Organisation

CTO- Community Tourism Organisation

LED- Local Economic Development

SALGBC- South African local Government Bargaining Council

CWP- Community Works Programme

MCCP- Mlungisi Community Commercial Park

DSRAC- Department of Sport Recreation Arts and Culture

EAP- Employment Awareness Programme

HRD- Human Resource Development

YTD- Year to Date

EEP- Employment Equity Plan

WSP- Workplace Skills Plan

LGSETA- Local Government Sector Education Training Authority

NERSA- National Energy Regulation South Africa

BTO- Budget and Treasury Office

MVR- Motor Vehicle Registration

SDI- Service Delivery and Infrastructure Development

MFV- Municipal Financial Viability

MTI- Municipal Transformation and Institutional Development

GGP- Good Governance and Public Participation

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

MAYOR'S FOREWORD

This is the annual report for 2024/25 financial year for the Amahlathi Local Municipality. This report is issued in the context that is defined by 31 years of democracy, in South Africa. The year 2024/25 also marked the first year of the Government of National Unity. The constitution of the Republic of South Africa provides for the establishment of local government as a distinct sphere of government. Local Government consist of municipalities that must provide a democratic and accountable government for local communities. The timing of this report is also a culmination of a past characterised by violent community protests related to service delivery. Amahlathi Local Municipality is led by a municipal council whose majority of councillors come from the African National Congress (ANC). The municipal council completed the first three years into the term of office that began in November 2021. The financial year of 2024/25 provided another wave of collective effort for the municipality to reconcile the service delivery gap between expectations of our communities and the actual delivery by the municipality.



We began by implementing the IDP and Budget Process plan. The first important activities included the rolling out a program for the needs' identification as part of mandatory consultations that must be done with communities. In this regard it is communities themselves that identified the projects to be implemented in 2024/25. Once again, the people of Amahlathi participated in good numbers during the public participation processes for IDP and Budget development. This successful account of delivery of goods and services to the people of Amahlathi Local Municipality proves beyond reasonable doubt that this government is the government of the people by the people for the people. The purpose of this report is to give an account to the people and stakeholders of Amahlathi Local Municipality which gave mandate to the council. This report is also required by law.

The Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA) commands municipalities to prepare an annual report for each financial year. Section 127(2) of the Act requires that the Mayor, within seven months after the end of a financial year, to table in the municipal council the annual report of the municipality. The Annual Report is an account of how the municipality has taken up the challenge to grow the Amahlathi area, effectively engage the community and develop partnerships with the business sector. Section 46(1) of the Municipal Systems Act (MSA) requires municipalities to prepare a performance report for each financial year, setting out the performance of the municipality and its external service providers. The report should measure current performance against targets and performance in the previous financial year and outline measures to improve performance in the year ahead. The annual performance report must form part of the annual financial report. It is therefore my pleasure to present this Annual Report of Amahlathi Municipality for the period of 2024/25 to Council, the people of Amahlathi, the National and Provincial Treasury, the Local Government, Auditor General and other stakeholders.


As the municipality we were mandated by our communities to deliver basic services including solid waste management, electricity, internal roads and public infrastructure. Our role was to identify, budget for, implement, and measure performance on projects against targets using Service Delivery and Budget Implementation Plan (SDBIP). Informed by the performance of the previous year we targeted an institutional performance of 80% or more. This has been achieved because of our committed, dedicated and competent administration. In the process we have seen significant improvements in service delivery on the ground. Amahlathi is not the same as last term. The locality is a construction site and job opportunities are created. It is in this regard that the Office of the Mayor applauds the dedication displayed by our employees to accomplish this good work as if challenges did not mount as high.

We take pride of our territory's natural beauty featuring the Amathole Mountain Range with its natural forests and planted timber, the friendly N6 and the palatable vegetation of the Dohne Sourveld. The Amathole Mountain Range has provided an important feature throughout history of the amaXhosa as a nation. These are the mountains and shrubs which provided a fortress for the troops of iNkosi Jongumsobomvu ka Maqoma. Today these mountains

and shrubs provide world class hiking trails from our which our people derive sustainable livelihoods. We have no choice but to use our natural resources sustainable as factors of production in our pursuit of local economic development. Doing so establishes a good foundation for an increased socio-economic emancipation to obviate the economic scourge of unemployment and thus unlock potential for competitive production in forestry, agriculture, tourism and manufacturing.

I would like to thank the community of Amahlathi Local Municipality for continuously believing in the municipal council, participating in the municipal programmes, their willingness to be part of the progressive collective. I would also like to extend my gratitude to my fellow Councillors, the Audit Committee, Senior Management and labour for their undivided commitment to collectively participate in our municipality's developmental agenda. The aim is to build and grow a resilient, sustainable and people centred Amahlathi Local Municipality.

Thank you.



Cllr. N Nongqayi
Her Worship, the Mayor
Amahlathi Municipality

B: STATEMENT OF THE MUNICIPAL MANAGER

This Annual Report captures Amahlathi Local Municipality's strategic focus, provides an overview on its performance and sets out Council's financial position for the 2024/25 financial year. This report also outlines the details of the various programmes managed by the Directorates of Amahlathi Local Municipality and how the municipality has performed towards meeting the set targets. The municipality firmly believe that it is on track towards meeting the growth and its set development targets although this year's challenges impacted negatively on the overall performance of the Municipality.

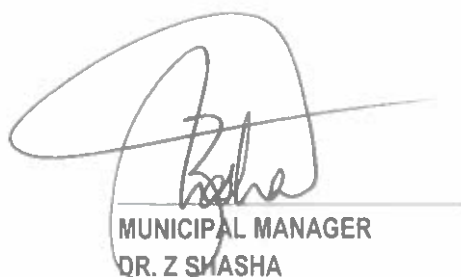


The municipal administration consisted of five directors who reported to the Municipal Manager. Their task was to implement policies and strategies passed by council to ensure proper service delivery.

As we present the annual report for the 2024/25 financial year, I confirm that the report has been compiled in line with the Local Government: Municipal Systems Act 32 of 2000 as amended, the Local Government: Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations as well as National Treasury Circular No. 63 that outlines Annual Report Guidelines.

The key priority areas of the institution during the year under review find their expression in the Integrated Development Plan, Budget and Service Delivery and Budget Implementation Plan and include the following:

- a) Institutionalisation of outcomes approach
- b) Accelerating and improving access to basic services
- c) Internal implementation of infrastructure projects using internal plants
- d) Continuing to review and improving financial systems and procedures.
- e) Address issues emanating from the Auditor-General's report for 2023/24 financial year.
- f) Development of municipal by-laws
- g) Public safety and law enforcement
- h) Improving reporting, monitoring and evaluation
- i) Capacitation of councillors and municipal employees.
- j) Revenue Enhancement
- k) Organizational Design

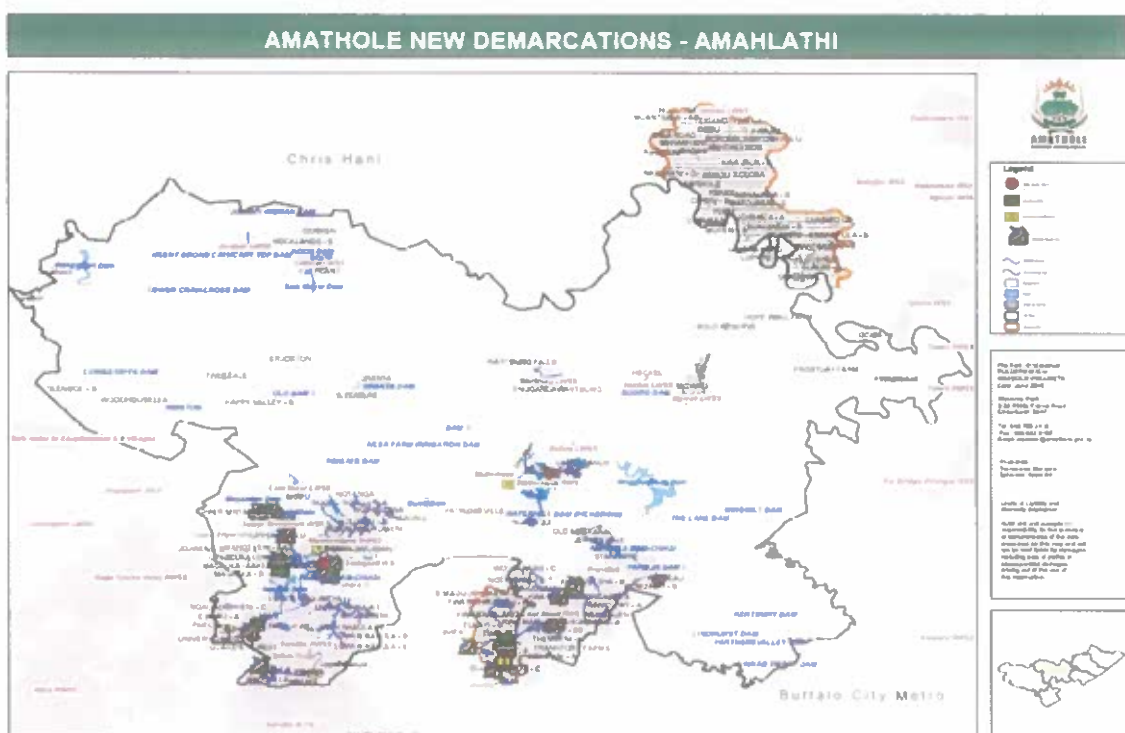


MUNICIPAL MANAGER
DR. Z SHASHA

C: EXECUTIVE SUMMARY

1.1 Municipal Manager's overview

Amahlathi Municipality is a category B collective executive type with ward participatory system. This locality is situated in the Northern part of the Amathole District Municipality and stretches about 4266.21km² between Raymond Mhlaba, Buffalo City, Great Kei and Chris Hani District. Amahlathi Municipality has four small towns namely; Stutterheim, Cathcart, Keiskammahoek and Kei Road. Stutterheim and Cathcart are strategically placed along the N6 road with access to the rail and road network. Keiskammahoek is the agricultural hub with a majority of the population active within the agricultural sector. Kei Road is the most underdeveloped town followed by Keiskammahoek. The main municipal offices are situated in Stutterheim where the Council is accommodated. The locality includes the bulk of the Amathole Mountain Range, Dohne Sourveld, Gubu and Wriggleswade Dams. The municipality is the home of major economic and development giants like Manderson Hotel, Dohne Agricultural Research Institute, Rance Timbers, ANCA Foods and Newden. The Forest Way also provides the municipality great tourist attraction sites on the foot of Amathole Mountains. The locality receives an average annual rainfall of about 600mm and is blessed with good soils in various areas thus giving it a somewhat high agricultural potential. The main economic sectors are community services, finance, manufacturing, trade, agriculture, construction and transport.



1.2 Population & Household dynamics

The population of Amahlathi has increased from **101 035 (2011)** to **115 703** as per the 2022 Census by Statistics SA. This increase in population can be attributed to improved life expectancy, such as access to health facilities, job opportunities, improved safety in working environments, as well as the availability of services to the population residing in Amahlathi municipality. The number of households increase from **29 994** to **33 621** households. The population is unevenly distributed among the 15 wards.

Age and Gender Distribution

- i. The gender distribution analysis of Amahlathi population reflects a similar pattern to that of the country with females accounting for 51.2% and males only 48.8%. Since females form the greater portion of the economically active population age groups 15 to 64 years, it will be strategic for the municipality to increase their participation in local governance issues.
- ii. The population pyramid below provides a breakdown of the population estimates in the municipality by age group and gender for 2022. The population of the municipality shows a typical age structure of a very young population distribution. The economically active population (15-64) who are willing and able to work account for majority of the municipality's total population. Thus, the municipality has a well-balanced economic active population.



Source: Census 2022

1.3 Household Income distribution

It was estimated that in 2023 7.07% of all the households in the Amahlathi Local Municipality, were living on R30,000 or less per annum. In comparison with 2013's 24.23%, the number is more than half. The 72000-96000 income category has the highest number of households with a total number of 4 260, followed by the 54000-72000 income category with 4 020 households. Only 1.7 households fall within the 0-2400 income category.

1.4 Access to basic services

According to data below as presented by Statistics South Africa in their 2022 Census, over 80% of households in the past 15 years have access to water and electricity. However, during the two periods, access to water declined slightly although at high levels while significant increase in the provision of electricity was observed as more than 90% of households in the municipality. Access to electricity is reliant on infrastructure above ground with cables that are able to cover significant land area compared to services that are provided by infrastructure underground.

Toilet facilities remain at low levels. Challenges in providing sanitation services in most municipalities include in-ground factors and the soil type. The service is influenced also by the type of infrastructure the municipality should provide taking into consideration the topography of the municipality in terms of identifying of landmark features and vegetative land cover.

With regards to access to refuse removal much focus is required as levels are low and declining which is indication of high backlog levels. This could likely be a result of the sparsely distributed households including the access to the various wards in the municipality for the collection of the refuse. The high levels of refuse removal to a communal service indicates refuse being disposed in a central place by households as opposed to removal by the municipality or a service provider.

Table: Access to service delivery

Access to Basic Infrastructure	2011		2022	
	Households	% of households with access	Households	% of households with access
Main source of drinking water				
Access to piped water	26 269	92.0%	30 561	91%
No access to piped water	2 278	8%	3060	9%
Access to Sanitation				
Flush Toilets	7 640	27.5%	15592	46.40%
Chemicals	415	1.5%	643	1.9%
Pit Toilets	18 263	65.7%	16 237	48.3%
Buckets	67	0.2%	150	0.4%
Other	-	-	487	1.4%
None	1403	5.0%	514	1.5%
Energy for lightning				
Electricity	24 919	87.4%	31 878	94,80%
Other	3 590	12.6%	1 781	5.2%
Energy for Cooking				
Electricity	20 577	72.3%	23 323	69.4%
Other	7 880	27.7%	10298	30.50%
Access to refuse removal				
Removed by local authority at least once a week	7 113	24.9%	13 336	39,70%
Removed by local authority less often	96	0.3%	227	0,70%
Communal refuse dump	316	1.1%	1 323	3,90%
Own refuse damp	19 789	69.3%	16 067	47,80%
No rubbish disposal	1 150	4.0%	1471	4.40%

Source: Stats SA Community Survey 2016, own calculations

According to Census 2022 about 91% of the households in Amahlathi area access water from regional/ local water scheme operated by the municipality or other water service provider and only 9% that does not have access to piped water.

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Electricity – 2022 Census as per the table above indicates that 94.80% of households at Amahlathi uses electricity for lighting compared to 87.4% calculated in the Census 2011 meaning there is a great improvement of about 7.4%.

Refuse removal - The statistics above indicate that about 47.80% in Census 2022 of Amahlathi households uses their own refuse dump as compared to 69.32% in 2022 and about 39.70% that have access to refuse removal at least weekly which is a great improvement compared 14.0% in 2011.

Natural Resources	
Major Natural Resource	Relevance to Community
Municipal Commercial Forest	Environmental aspect
Wetlands	Environmental aspect
	T 1.2.7

1.5 Financial Overview

Financial Overview: Year 2024/25			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants (excluding Capital)	145 504 900	146 284 900	146 341 300
Taxes, Levies and tariffs	92 774 786	110 241 947	107 160 393
Other	27 892 701	55 528 123	24 213 506
Sub Total	266 172 387	312 054 970	277 715 199
Less: Expenditure	308 577 094	298 302 791	288 881 634
Net Total*	(42 404 707)	13 752 179	(11 166 435)
* Note: surplus/(deficit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	48%
Repairs & Maintenance	1%
Finance Charges & Depreciation	11%
	T 1.4.3

Total Capital Expenditure: Year -2021/22 to Year 2024/25				
				R'000
Detail	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25
Original Budget	31 130 100,00	39 791 000,00	33 877 200,00	54 147 850
Adjustment Budget	39 667 600,00	41 341 171,00	65 649 950,00	78 153 502

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Actual	27 192 520,00	32 713 152,39	50 310 960,00	73 580 667
T 1.4.4				

1.6 Auditor General Report 2024/25 Financial Year

The Amahlathi Local Municipality received an unqualified audit opinion in 2023/2024 audit and the following matters were identified.

Material uncertainty relating to going concern- note 48 to the financial statements, indicates that the municipality is unable to pay creditors within due dates and has negative key financial ratios, and that net current liabilities were realised. As stated in note 48, these events or conditions, along with the other matters as set forth in note 48, 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

- Restatement of corresponding figures - As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2024
- Material losses – electricity - As disclosed in note 53 to the financial statements, material electricity losses of R18,36 million (2022-23: R18,16 million) were incurred, which represents 35,31% (2022-23: 42,07%) of total electricity purchased. The total losses are attributable to normal losses and illegal connections.
- Material impairments – receivables - As disclosed in note 4 and 5 to the financial statements, material cumulative allowance for impairment losses of R89,01 million (2022-23: R73,69 million) and R53,72 million (2022-23: R47,19 million) was incurred as a result of a provision for impairment of consumer debtors.

Report on the annual performance report

The report was evaluated on 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. AG performed the procedures to report material findings only; and not to express an assurance opinion or conclusion and did not identify any material findings on the reported performance information for the selected indicators.

A detailed report on the AG's findings is attached as part of Annual report for 2023/2024 financial period

1.7 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

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No.	Activity	Timeframe
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 Annual Report to Internal Audit and Auditor-General	
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	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
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	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	January

CHAPTER 2: GOVERNANCE

COMPONENT A. POLITICAL AND ADMINISTRATIVE GOVERNANCE

Institutional Structure of Amahlathi Local Municipality

The institutional Structure of Amahlathi Local Municipality is divided into two levels, the Political and Administrative Structures. The Administrative Structure is accountable to the Political Structure.

2.1. Political Structure of Amahlathi Local Municipality

The Principalship of Amahlathi Local Municipality lies with the Council with the Executive Committee as its primary committee to facilitate service delivery. The Mayor is the chairperson of the Executive Committee while Speaker is the chairperson of the Council. Whip of Municipal Council chairs the committee of Whips. The mayor is the political head of the municipality vested with powers to set out priorities over the financial affairs of the municipality in terms of Chapter 7 of the Municipal Finance Management Act.



Cllr N Nongqayi (Mayor)



Cllr N Mlahleki (Speaker)



Cllr P Qaba (Whip of Municipal Council)

The municipality has a total number of 30 Councillors where in 15 are ward councillors and 15 are proportional representative Councillors. The list and attendance of Council Meeting is appended as annexure A of this report.

The total number of Council Resolutions taken for the 2023/2024 financial year is 325.

Resolutions	Total Number	Percentage
Implemented and Noted Resolutions	206	63,4%
In Progress	72	22,1%
Not Implemented	47	14.5%

LISTED BELOW ARE THE COMMITTEES THAT ASSIST COUNCIL IN CARRYING OUT ITS RESPONSIBILITIES:-

i. **Executive Committee.**

The Mayor of Amahlathi Local Municipality, **Honourable Cllr. N Nongqayi**, assisted by the Executive Committee, heads the executive arm of the Municipality. The Mayor is at the centre of the system of governance, since powers are vested in her to manage the day-to-day affairs. This means that she has an overarching strategic and political responsibility.

The executive committee consists of the Council members (chairperson of each standing committee) listed below and the heads of departments. Meetings are convened monthly but special meetings are convened when the need arises.

No.	Names
1.	Cllr Nomakhosazana Nongqayi
2.	Cllr Xola Tokwe
3.	Cllr Phatheka Qaba
4.	Cllr Nobathembu Kato-Manyika
5.	Cllr Busisa Xongwana
6.	Cllr Thamsanqa Balindlela

iii. **Municipal Public Accounts Committee (MPAC).**

The Municipal Public Accounts Committee is established to assist Council to fulfil its mandate of overseeing the Executive and the Administration.

The committee sits quarterly but special meetings are convened when the need arises. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. Below is the list of the members of the committee;

No.	Names
1.	Cllr Zukisa Qonto
2.	Cllr Xoliswa Neti
3.	Cllr Masixole Gantsho

4.	Cllr Phathuxolo Able Simandla
5.	Cllr. Nicholas Ncevu
6.	Cllr. N.V. Mjandana

iv. **Standing Committees**

In terms of Section 80 of the Municipal Structures Act, 1998, if a council has an executive committee; it may appoint in terms of section 79 committees of councillors to assist the executive committee or the mayor.

Section 79 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council. The meetings are held monthly meaning 12 sittings per year.

The portfolio committee members together with their Chairpersons are as follow:

a. Infrastructure Service delivery Committee

No.	Names
1.	Cllr X.Tokwe - Chairperson
2.	Cllr N. Nyangwa
3.	Cllr N. Mbulawa
4.	Cllr R.B. Pickering
5.	Cllr M. Nqini

b. Corporate Services Committee

No.	Names
1.	Cllr P. Qaba- Chairperson
2.	Cllr M.E. Maweni
3.	Cllr N.C. Mkiva
4.	Cllr M. Neku
5.	Cllr P.N. Onceya-Sauti
6.	Cllr N. Ngxakangxaka

c. Community Services Committee

No.	Names
1.	Cllr T. Balindlela – Chairperson
2.	Cllr A. Hobo
3.	Cllr N.Z. Klaas
4.	Cllr N.O. Sidinana
5.	Cllr M. Nqini
6.	Cllr N.V. Mjandana

d. Planning and Development Committee

No.	Names
1.	Cllr B. Xongwana - Chairperson
2.	Cllr N. Ngxakangxaka
3.	Cllr M. Busakwe
4.	Cllr M.E. Maweni
5.	Cllr. N. Salaze

e. Budget and Treasury Committee

No.	Names
1.	Cllr N. Kato-Manyika Chairperson
2.	Cllr N. Mbulawa
4.	Cllr N.Nyangwa
5.	Cllr R.B. Pickering
6.	Cllr M. Busakwe

v. Other Committees**Whips Committee**

No.	Names
1)	Cllr P Qaba-Chairperson
2)	Cllr Moslina Ngini-
3)	Cllr Nosipho Cynthia Mkiva
4)	Cllr Nonkanyiso Charlie
5)	Cllr Ntombizonke Vivian Mjandanda
6)	Cllr Neliswa Mbulawa
7)	Cllr Ndileka Ngxakangxaka
8)	Cllr Zamuxolo Emmanuel Mfulana
9)	Cllr. Onke Mgunculu

Rules, Ethics and Integrity Committee

No.	Names
1.	Cllr. Phakama Budaza - Chairperson
2.	Cllr Ngenamazizi Orsmond Sidinana
3.	Cllr Mbeko Neku
4.	Cllr Nonkanyiso Charlie
5.	Cllr Ntombizonke Vivian Mjandana
6.	Cllr. Moslina Ngini

Local Labour Forum Committee

The Local Labour Forum is a consultative structure that only takes decision within its powers and functions. The main collective agreement confers to the Local Labour Forum powers and functions of negotiating and or consulting among other things;

- On matters of mutual concern pertaining to the employer which do not form the subject matter of negotiations at the council or Division
- On such matters as may from time to time be referred to such forum by the Council or its division.
- Concluding of minimum service level agreement

The Local Labour Forum is established with equal representation from trade unions and the employer with the trade union's representation divided in proportion to their respective membership. In the year (23/24) under review the Local Labour Forum was functional. 4 LLF meetings were held as follows:

No.	Dates of Local Labour Forum
1.	19 September 2023
2.	08 November 2023
3.	11 February 2024
4.	08 May 2024

a. COMPOSITION OF LOCAL LABOUR FORUM COMMITTEE

No.	Names
1.	Cllr. P. Qaba – LLF Chairperson
2.	Cllr. L. Sidinana
3.	Cllr. N. Manyika
4.	Cllr. R. Pickering
5.	Chief Financial Officer
6.	Ms. N. Nqulo
7.	Ms. A. Nohloza
8.	Ms. T. Ndlamhlaba
9.	Mr. V. Msindwana – Labour Relations Officer
10.	Ms. T. Magwangqana -SAMWU Rep
11.	Mr. L. Nkongo -SAMWU Rep
12.	Mr. X. Roji-SAMWU Rep
13.	Mr. B. Sokrowa (Imatu Rep
14.	Mr. V.Bambatha – SAMWU Rep
15.	Ms. A. Matiwane- SAMWU Rep
16.	Mr. Z. Mkosi- SAMWU Rep
17.	Mr. X. Njaba – Admin Officer

b. Audit and Performance Committee

The function of the Audit and Performance Committee is primarily to assist the Municipality in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes and the preparation of financial reports and statements. The Audit and Performance Committee had 4 members listed below and should meet 4 times per annum as per its approved terms of reference.

NUMBER	SURNAME AND INITIAL	QUALIFICATION
1.	Smith L - AC Chairperson	CA (SA), Registered Auditor
2.	Mdani M - AC Member	Master's in business administration Post Graduate Diploma Management B.Tech HRM National Diploma in HRM
3.	M. Manxiwa - AC Member	Attorney (Registered with Legal Practice Council) Bachelor of Law Corporate Law Certificate
4.	N. Hermanus-Mabuza - AC Member	Professional Internal Auditor (PIA) – (IIA) Master's in business administration Certificate: Advanced Business Program National Diploma: Internal Auditing Certificate: Information System Computer Auditing Accredited: Internal Quality Assurance Review (IIA)

The Audit Committee had the following meetings during the year:

Ordinary Meetings	Special Meetings
23 Jul 2024	20 August 2024
28 October 2024	27 August 2024
22 January 2025	18 February 2025
22 April 2025	25 June 2025

c. Training and Employment Equity Committee

In terms of the regulations to the Skills Development Act, every organisation with more than 50 employees must establish an institutional forum (Training & Employment Equity Committee) for purposes of consultation with regards to skills development. The Training & Employment Equity Committee consists of the following Councillors and Officials, and it sit bi-monthly. In the year (2023/24) under review the Training and Employment Equity Committee was functional and meetings were held as follows:

No.	Dates of Training & Employment Equity
1.	19 September 2023
2.	08 November 2023
3.	06 March 2024

d. COMPOSITION OF TRAINING AND EMPLOYMENT EQUITY COMMITTEE

No.	Names
1.	Cllr. P. Qaba – TEEC Chairperson
2.	Cllr. N. Ngxakangxaka
3.	Cllr. NC. Mkiva
4.	Cllr. NA. Kato-Manyika
5.	Cllr. MA. Busakwe
6.	Cllr. Mlahleki N
7.	Cllr R. Pickering
7.	Chief Financial Officer
8.	Ms. N. Nqulo – Director: Corporate Services
9.	HR Officer
11.	Skills Development Facilitator/Training Coordinator
12.	Occupational Levels: Representatives: <ul style="list-style-type: none"> - Senior Management - Professionally qualified & experienced Specialists & Middle Management - Skills -technical - Semi-skilled - Unskilled
13.	• Imatu Representative
14.	• Samwu Representative
15.	• Non Union member representative
16.	Mr. X. Njaba – Admin Officer/Secretariat

2.2 Administrative Structure of Amahlathi Municipality

The Municipal Manager is the head of administration. Directors as heads of departments report directly to the Municipal Manager while the Municipal Manager accounts to the Mayor and Council.



DR SHASHA (MUNICIPAL MANAGER)



MS NOZUKO NQULO – CORPORATE SERVICE



MS N DLOVA – ENGINEERING DIRECTOR



MS ANDISWA NOHOLOZA – COMMUNITY SERVICES



MR S MNWEBA
DIRECTOR DEVELOPMENT AND PLANNING)



MS B NGWENDU (CHIEF FINANCIAL OFFICER)

ROLES AND RESPONSIBILITIES OF DIRECTORATES

Role of the Chief Financial Officer:

- Is administratively in charge of the budget and treasury office.
- Must advise the accounting officer on the exercise of powers and duties assigned to the accounting officer in terms of this Act.
- Must assist the accounting officer in the administration of the municipality's bank accounts and in the preparation and implementation of the municipality's budget.
- Must advise senior managers and other senior officials in the exercise of powers and duties assigned to them in terms of section 78 or delegated to them in terms of section 79.
- Must perform budgeting, accounting, analysis, financial reporting, cash management, debt management and supply chain management.
- Financial management, review and other duties in terms of section 79 as delegated by the accounting officer.
- The chief financial officer of a municipality is accountable to the accounting officer for the performance of the duties referred to in subsection.

Role of the Director Engineering Services

- Responsible for the maintenance of all Municipal roads and storm water with the limited funding and machinery that is available. This does not include roads that fall under the Department of Roads and Public Works and South African National Road Agency Limited (SANRAL).
- The goal of the Building Control Unit is to enable the Amahlathi Municipality to fulfil its role as a controller of all Building activities & maintenance of all buildings, Engineering Planning aspects of services provision of new settlement areas and ensure that municipal buildings are continuously and adequately maintained.
- The goal of the PMU Unit is to ensure the successful implementation and management of all capital infrastructure projects within Amahlathi Municipality. The unit oversees projects which are mostly funded by grants such as Municipal Infrastructure Grant (MIG) / INEP /DMRE. The MIG programme is aimed at

providing all South Africans with at least a basic level of service. INEP/DMRE programme aims for all households to be provided with an electricity supply.

- Electricity provided in Stutterheim, Cathcart & Amabele Village Station under the NERSA Distribution Licence NER/D/124EC. Eskom is responsible to provides electricity supply and connections to villages not covered in terms of NERSA Distribution Licence NER/D/124EC terms and conditions.
- Distribution & Reticulation: The goal is to maintain the systems in order to provide a safe, reliable and efficient electricity supply. Meter readings & monitoring of consumption with assistance of BTO to ensure efficiency in electricity service provided.
- Public Lights (Street & High masts): All Public lights funded through the municipal rates component, the electricity section responsible for planning, installation of new lights as well as the maintenance of public lights.
- Municipal Buildings: Ensure electrical supply to premises as a customer. Guidance with compliance in terms of SANS electricity wiring of premises. Monitoring of work quality in compliance with the Occupational Health & Safety Legislation. HVAC (Air Conditioners) – guidance to other units, monitoring quality and compliance in terms of Occupational Health & Safety requirements and Legislation.

Role of the Director Development Planning

- Facilitation of Local Economic Development
- Co-ordination of agricultural programmes
- Support to SMME's and Co-operative's
- Co-ordination of Tourism development
- Promotion of Culture and Heritage sub-sectors within Amahlathi
- Development of Local Economic Development related policies
- Co-ordination of Human Settlement delivery within Amahlathi
- Management of Spatial Development and Town Planning
- Land Use Management
- Ensure effective use and management of Municipal land
- Lead the implementation of High Impact Development Initiatives
- Facilitation of Development Partnerships.

Role of the Director Corporate Services

Plans, coordinates and manages activities of the Human Resources department to ensure the delivery of HR services such as HR Planning, Personnel Provisioning, and Administration of conditions of service, Personnel utilisation, Industrial relations and skills development.

- To develop a departmental vision and strategy and ensure implementation to provide effective service delivery.
- Manages performance of employees in the Department to ensure optimal work performance. Plans and manages utilisation of resources in order to perform activities. Develops and monitor systems, policies, procedures and processes to ensure correct working operations and practices.

- Manage the Human Resources department of the Amahlathi Council to ensure compliance with the corporate services directorate strategic plan.
- Develop, Manage and administer the recruitment and selection policy to ensure compliance with Recruitment and selection policy of the Municipality.
- Promote good and sound industrial relations environment to ensure labour stability in the municipality.
- Administer the implementation of the Employment Equity to ensure compliance with the Employment Equity Plan.
- Manage the Training and Development Function to ensure effective training system in the Municipality.
- Overall management of the Occupational Health and safety to ensure compliance with the OHS Act.
- Manage the use of Council resources to ensure economic, effective and efficient service delivery.
- Management of an administration system that is efficient and facilitates decision making and service delivery throughout the Amahlathi Municipality
- Manage the Municipality's administration in accordance with the constitution, local government municipal structures act and other applicable legislation.
- The effective management of Human Resources in order to ensure that transaction and implementation of skills development, employment equity, performance management and fleet management.

Role of the Director Community Services

- To contribute towards a safe and secure environment
- To promote a clean and healthy environment
- To promote a culture of reading and learning
- To ensure that public amenities are improved and well managed
- To reduce number of road carnages on our Public Roads
- To increase Traffic visibility in our Municipal Roads

B. INTER GOVERNMENTAL RELATIONS

NATIONAL & PROVINCIAL INTERGOVERNMENTAL STRUCTURES

Amahlathi Municipality participated in the quarterly munimec. The munimec provided a platform for the municipality to engage in intergovernmental relations with the Provincial Executive Council (MEC) to ensure effective service delivery and alignment with broader government goals. This involved participating in discussions, coordinating efforts, and addressing challenges related to municipal functions and development. The last munimec was held on the 12 – 13 June 2025.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipality does not have an entity. The Amathole Economic Development Agency SOC Ltd also trading as ASPIRE does assist the municipality in certain programs. Aspire is an entity of Amathole District Municipality. One of the project that Aspire is currently working on is the development of Cathcart Revitalization Strategy.

DISTRICT INTERGOVERNMENTAL STRUCTURES

Amahlathi Local Municipality participates in the District Mayor's Forum (DIMAFO). The Amahlathi Local IGR tables its reports to the Amathole District Mayor's Forum to ensure alignment with the district wide planning. The local IGR also escalates matters that cannot be resolved at local level to the DIMAFO. The main issues that usually get escalated are service delivery challenges, government debt and catalytic projects. The DIMAFO is normally preceded by the municipal manager's forum. The forum deals with issues that can be resolved at a technical level and prepares for the political session. National and provincial department participate in the DIMAFO. The DIMAFO escalates matters to the MuniMec.

The DIMAFO also serves as a political platform to oversee the District Development Model (DDM). The municipality participates in the DDM which is coordinated by the district municipality. The office of the municipal manager identified staff to provide support in the DDM.

2.3 INTER GOVERNMENTAL RELATIONS COMMITTEE

Chapter 3 of the Constitution Act 108 of 1996 provides for the principles that underpin the relations between the spheres of government. IGR meetings sit on a quarterly basis and are information-sharing sessions that seek to align planning between the municipality and other spheres of government.

Amahlathi Local Municipality has developed and adopted an IGR Policy Framework in 2016/17 that encourages establishment of IGR Clusters and the broader IGR to provide a platform for the meeting of minds of sector departments, stakeholders and the municipality.

The table below illustrates all the dates that broader IGR forum meetings were held during each quarter:

Quarter	Date
Q1	10 September 2024
Q2	19 November 2024
Q3	11 March 2025
Q4	13 May 2025

All four quarterly IGR meetings managed to sit with the concern of inconsistencies on attendance of sector departments.

C. PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 COMMUNICATION, PARTICIPATION AND FORUMS

The Municipality has a Public Participation Policy that was adopted by Council on 1 September 2015, and it is reviewed annually. In accordance with Municipal systems Act 2000, the municipality holds regular IDP/PMS/ Budget Representative Forum meeting in drafting IDP and Budget. Forum meetings are be convened quarterly in preparation of each phase.

The following forms are used in calling the interested parties

- ✓ Website, Facebook, Notice Boards to publish our notices
- ✓ Community Radio Stations to reach those parts of our community that do not read newspaper
- ✓ Posters, pamphlets, ward councillors, ward committees, Community Development Workers (CDW) and
- ✓ announcements through community gatherings and community-based organizations
- ✓ Loud hailing

The municipality communicates promptly with the communities via Facebook, radio, notices, audio-visuals and word of mouth. The most effective is the facebook page. During the financial year the page saw increase in its following from 3800 to 6280. The facebook page is followed mostly by youth, unemployed persons and the middle-class citizens. The municipal communication, although aimed at making communities aware of the municipal affairs, is also aimed at encouraging communities to be involved and participate in the affairs of the municipality.

IDP ROADSHOWS

Each year during the second quarter the executive committee as led by the mayor embark on roadshows to collect community needs and priorities. This process is conducted by holding meeting in each of the four clusters of Amahlathi Local Municipality. In the year under review the meetings took place from November until early December. The notices for the meeting are issued out by the communications via facebook, ward councillors, whatsapp groups, notice boards and the word of mouth. The attendance varied with communities. In the Cathcart areas the meetings were attended in good numbers while in Mlungisi the attendance was less than desired. Some communities held their meetings with their ward councillors and prepared their needs and priorities which were submitted by the respective ward councillors.

WARD BASED PLANNING

The municipality also embarked on a program to develop ward-based plans. The project was pioneered with five wards which are based in the Stutterheim cluster. Those are wards 6, 9, 13, 14 and 15. These wards are expected to update their plans prior to the IDP Roadshows. During the IDP Roadshows the ward councillors will present the plans and hand a copy to the municipality for inclusion in the IDP. The remaining wards will continue list their needs and priorities in the traditional way whilst another five is assisted to develop its ward-based plans. The ward-based plans programme is spanned for three years. It began in the year under review with five ward-based plans completed by end of June 2025. Another five will be developed and completed by June 2026 whilst the last batch of five plans are planned for June 2027.

IDP AND BUDGET REPRESENTATIVE FORUM

The municipality conduct a Rep Forum quarterly to maximise consultation on the development of the IDP and Budget. In the year under review all Rep Forums were conducted successfully. The Rep Forum is attended by ward committees, community stakeholders, sector departments and the municipality. The Rep Forums are meant to provide consultations at different stages of development of both IDP and budget. The last rep forum looks at the Final IDP and Budget before the council approves them in the council of May. In the year under review stakeholders, ward committees and all participants in the rep forum were afforded an opportunity to input on the IDP and Budget before it is tabled for approval in council. Other people use facebook to submit their inputs for consideration in the IDP.

Other structures used to enhance public participation is through Ward Committee Meetings, LED Forums and SPU Forums and Local Communicator's forum which are convened quarterly. To ensure that the needs of unorganized groups are represented as well, advocacy groups and Non-Governmental Organizations (NGOs) are used as well for communication. Meetings of the Representative Forum will be held in any appropriate Municipal buildings and the preferable languages that we use during these sessions are:

- ▣ English
- ▣ Xhosa

The following tables reflects the roadshows that were conducted during the year under review;

PURPOSE	DATE	VENUE	TIME	CLUSTER
Priority needs Identification	15 October 2024	Mlungisi Community Hall	11H00	Stutterheim Cluster
	17 October 2024	Frankfort Hall	14h00	King Kei Cluster
	14 November 2024	Mzwandile Fanti Hall	10H00	Stutterheim Cluster
	15 November 2024	Cathcart Town Hall	10H00	Cathcart Cluster
	15 November 2024	Ndumangeni Hall	10:00	Cathcart Cluster
	19 November 2024	Springbok Hall	10:00	Keiskammahoek Cluster
IDP/Budget/PMS Rep Forum	16/08/2024	<ul style="list-style-type: none"> Mzwandile Fanti 	10:00	Stutterheim Cluster
IDP/Budget/PMS Rep Forum	27/11/2024	<ul style="list-style-type: none"> Stutterheim Library 	10:00	
IDP/Budget Public Hearings	11 April 2025	<ul style="list-style-type: none"> Border Post 	11:00	King Kei Cluster
	15 April 2025	<ul style="list-style-type: none"> Springbok hall 	11:00	Keiskammahoek Cluster
	22 April 2025	<ul style="list-style-type: none"> CathCart Town Hall 	11:00	Cathcart Cluster

	05 May 2025	<ul style="list-style-type: none"> Anchor (Businesses and Rate Payers) Stutterheim 	12:00	Stutterheim Cluster
IDP/Budget/PMS Rep Forum	14/03/2025	<ul style="list-style-type: none"> Mzwandile Fanti 	10:00	Stutterheim Cluster
	20/05/2025	<ul style="list-style-type: none"> Mzwandile Fanti 	10:00	
Annual Report Public Hearing	05/11/2024	<ul style="list-style-type: none"> Mzwandile Fanti 	10:00	Stutterheim Cluster
	22/11/2024	<ul style="list-style-type: none"> Ndumangeni Hall 	14:00	Cathcart Cluster
	26/11/2024	<ul style="list-style-type: none"> Border Post 	10:00	King Kei Cluster
	29/11/2024	<ul style="list-style-type: none"> Springbok Hall 	10:00	Keiskammahoek Cluster

2.4.2 Ward Committees

Ward committees were formally introduced in year 2000, and since then our municipality had always had ward committees. The ward committees are established in each ward every five years. The term of office for the ward committees run concurrently with the term of office for the council. In line with Chapter 4 of the Municipal Structures Act 1998, the municipality is committed to enhance democratic, open, transparent and participatory system of local governance within its area of jurisdiction. The municipality is mandated by the Municipal Structures Act to elect Ward Committees within 90 days after the local government elections. After the inauguration of the new Council on 22 November 2021, the establishment of ward committees commenced on 5 January and a total of 150 ward committees were elected 10 in each ward of the 15. Ward Committees were inducted by the municipality and COGTA on 10 and 11 May 2022. From 12 May the 150 ward committees commenced with their duties.

Ward Committees are governed by the Ward Committee Functionality Policy and the Ward Committee Handbook published by COGTA. The Municipal Structures Act requires that, in addition to equitable gender representation, the ward committee should represent a diversity of interests in the ward. The purpose of the ward committees is to strengthen democracy in the ward by creating a platform in the ward where all interest groups are given an opportunity to identify their needs and raise their concerns, for a total ward need analysis and priorities. The ward committees also monitor the performance of the municipality and raise issues of concern to the local ward and assist with community awareness campaigns e.g. waste, water and sewage, payment of rates and charges, as members know their local communities and their needs.

In the year under review the municipality had approximately 146 ward committees instead of the required 150. The remaining 4 ceased to hold office for various reasons. The ward committees were functional for the duration although the lack of tools of trade hampered the reporting of ward committees. The ward boundaries differ in nature from those that are vast, congested and those that are in the middle. The sittings differ from few to many however the number of meetings were not satisfactorily. The minimum expected for each ward was 12 meeting one in each month. The ward councillors should submit the reports and attendance registers as well as the payroll registers for the ward committees.

There was no record of meeting filed in the municipality as ward committees conducted their meetings independently. There is no capacity to cover all wards by a single municipal official with serious transport limitations. The ward committees however submitted reports of their work on a monthly basis.

2.5 IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	
T 2.5.1	

D. CORPORATE GOVERNANCE

The council recognises the wide range of risks to which Amahlathi Local Municipality is exposed. Amahlathi Local Municipality is committed to the effective management of risk to achieve the municipal goals and objectives, as well as converting risk into opportunities that create value for the municipality stakeholders. It is therefore a strategic objective to adopt a process of integrated risk management that will assist Amahlathi Local Municipality in meeting its key goals.

The Risk Management Committee is responsible for the assessment of risk to ensure that risk control and management efforts are not duplicated, risk identification "gaps" are avoided and that interdepartmental risks are identified and managed in a timely manner.

During the 2024/25 risk assessment the following strategic risks were identified and prioritised. :

- Electricity Distribution Losses above the norm
- Inadequate provision and maintenance of basic service delivery infrastructure
- Inability to meet current and future financial obligations
- Inability to leverage on fleet as a strategic resource for service delivery.
- Ineffective implementation of communication strategy
- Non Compliance with laws, regulations and statutory prescripts.

- Inability to render services in the event of a disaster
- Inability to create a conducive environment for economic prosperity

Existence of the committee and functionality.

The municipality has Risk Management Committee which consists of all Section 56 managers and is supported by the appointed departmental risk champions. Risk management reports are reviewed quarterly by the Risk Management Committee. The municipality conducted strategic, operational, litigation, fraud and ICT risk assessments in the 2024/25 financial year.

Risk Committee Meetings for monitoring risk implementation process were held on the following dates:

- 16 July 2024
- 16 October 2024
- 17 January 2025
- 22 May 2025

2.6 ANTI- CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The municipality has Fraud Prevention Plan and Anti-Corruption Policy in place that were adopted by Council. The municipality is utilising Presidential Fraud Hotline number.

Financial Disciplinary Board is established to investigate alleged financial misconducts.

MPAC and Audit Committee are the oversight committees to investigate irregularities in contravention with MFMA.

Legal advice and handles fraudulent matters and other related financial misconducted.

The Internal Audit Unit conducted Fraud Awareness Campaigns within the municipality twice in 2024/25 financial year.

Fraud Risk Register is in place.

Whistle-blowing policy for protection of the whistle-blowers has been developed and approved by the Council.

Strategies in place for prevention i.e. campaigns etc.

The municipality conducted 2 fraud awareness campaigns during the financial year under review as follows;

- 26 November 2024
- 21 February 2025

Strategies in place for prevention i.e. campaigns etc.

The municipality conducted 2 fraud awareness campaigns during the financial year under review as follows;

- 20 September 2023 and
- 14 March 2024

2.7 Supply Chain Management

Section 3(1) (b) and (c) of the SCM regulations states that the accounting officer of a municipality must at least annually review the implementation of SCM policy and when necessary, submit proposal for the amendments of the policy to council. The SCM policy was initially developed in 2005 and implemented to give effect to the SCM regulations, and it was last reviewed in January 2023. Amahlathi has established an SCM unit which comprises of four officials. The code of conduct, oath of secrecy and declaration forms are signed by all officials involved in supply chain management. The SCM manager has reached prescribed levels as required by the Minimum Competency Regulations Guidelines and the other three officials are still in the process of completing the minimum requirements. In line with Municipal Finance Management Act (MFMA), the accounting officer has also established various bid committees that are consistent with the SCM regulations and any applicable legislation for competitive bidding i.e.

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

Range of procurement processes

STRUCTURE OF APPROVAL		
GOODS/SERVICE VALUE	PROCUREMENT METHOD MINIMUM	APPROVAL AUTHORITY
R0 – R2 000	Petty Cash	Head of Department or Delegated Authority
R2 001 – R5 000	Three Quotes	Head of Department or Delegated Authority
R5 001 – R30 000	Three Quotations	Head of Department or Delegated Official
R30 001-R300 000.00	1 Week Bulletin Notice and Advertisement via Website: Three Quotations	Chief Financial Officer
R300 001 – R2 Million	Competitive Bidding Process	Bid Adjudication Committee
R2 Million – R10 Million	Competitive Bidding Process	Bid Adjudication Committee
Above R10 Million	Competitive Bidding Process	Accounting Officer

2.8 Websites

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	
All current budget-related policies	Yes	
The previous annual report (Year -2022 /23)	Yes	
The annual report (Year 2023/24) published/to be published	Yes	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2023/24) and resulting scorecards	Yes	
All service delivery agreements (Year 2024/25)	No	
All long-term borrowing contracts (Year 2024/25)	Not Applicable	
All supply chain management contracts above a prescribed value (give value) for Year 2023/24	No	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 2023/24	No	
Contracts agreed in Year 2023/24 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	
Public-private partnership agreements referred to in section 120 made in Year 2023/24	Not Applicable	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2013/24	Yes	

2.9 BYLAWS

NO.	LOCAL AUTHORITY NOTICE	GAZETTE NO.
1.	Local Government : Municipal Systems Act (32/2000) : Municipality of Amahlathi: Street trading By-Law	1668
2.	Keeping of dogs and other animals By-Law	1668
3.	Neglected buildings and premises By-Law	1668
4.	Prevention of nuisances By-Law	1668
5.	Solid waste disposal By-Law	1668
6.	Use and hire of municipal building By-Law	1668
7.	Public open space By-Law	1668
8.	Advertising signs By-Law	1668

9.	Cemeteries and crematoria By-Law	1668
10.	Ward committees By-Law	1668
11.	Delegation of powers By-Law	1668
12.	Community fire safety By-Law	1668
13.	Standing rules for council By-Law	1668
14.	Credit control By-Law	1668
15.	Indigent support By-Law	1668
16.	Rates policy By-Law	1668
17.	Tariff policy By-Law	4076

The municipal by-laws are created by council to regulate activities within their jurisdiction, covering a wide range of areas like zoning, waste management, and building regulations. These regulations are crucial for maintaining order, safety, and public health within the locality. The institution has 19 by laws and all 19 by-laws are promulgated. Most of these by-laws are old. The municipality in the following years will embark on the process of reviewing the old by-laws.

By-laws Introduced during Year 0					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
None	None	No	None	No	None

*Note: See MSA section 13.

T 2.9.1

2.10 Public Satisfaction on Municipal Services - The municipality conducted a community satisfaction survey at the end of 2023/24 financial year. The survey covered the rate paying areas. The purpose was to ensure that the complaints are addressed during 2024/25. Most complaints were on unemployment, dilapidated roads, electricity loadshedding and water outages. The municipality addressed these issues during the 2024/25 financial year leveraging on the municipal disaster grant and municipal infrastructure grant.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

COMPONENT A: BASIC SERVICES

3.1 ELECTRICITY

Amahlathi LM distributes electricity to areas under the NERSA licence (Stutterheim, Cathcart and Amabele). Customers within this jurisdiction have access to electricity and is supplied by Amahlathi LM. All customers that are indigent and are registered with the Municipality database receives free electricity and certain services as per the indigent policy of the Municipality. The Municipality has initiated to replace all faulty meters, and this has yielded significant improvement in the electricity losses for 24/25 financial year. Amahlathi is currently busy implementing a project to replace all meter to smart meters to ensure efficient energy monitoring and service delivery. The other two projects that's a priority to the Municipality is the upgrade of the Cathcart Substation and the Stutterheim Main intake substation to ensure there is reliable and stable power supply to the Amahlathi residents. The Municipality is also looking into increasing the Notified Maximum Demand from Eskom to ensure the electricity demands of the community especially businesses and investors are catered for thus creating more economic stability within Amahlathi.

The rural parts of Amahlathi are being supplied by Eskom. The Municipality also has a wheeling agreement with Eskom to supply Kati-Kati and Daliwe through the Cathcart substation.

Through funding sources like INEP, the Municipality is continuously striving to address backlogs in electrification projects not only within Amahlathi jurisdiction but also within Eskom areas.

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

T 3.3.6

Capital Expenditure Year 0: Electricity Services					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260				
Pre engineering Cathcart SS	1 500				
Pre-Engineering Stutterheim SS	360				
EEDSM	3 000				
STR Stutterheim public lighting	947.2				
STR Keiskammahoek public lighting	1 245				
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
					T 3.3.8

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

The 4 largest projects prioritized by the Municipality is a s follows;

1. RT29 Smart meter project
2. Pre engineering of upgrading of Cathcart Substation
3. Upgrading of Stutterheim Main intake substation
4. Energy efficient and demand side management EEDSM

The RT29 smart meter project was initiated in April 2025 and will continue for a period of three years. The project has completed the first phase which included the audits of the meters within Amahlathi and the submission of the As Is report to National Treasury. The other projects mentioned were completed within the allocated time and budget.

Eskom agreement on wheeling in place however awaiting credits to reflect on the Municipal account in terms of the Eskom usage.

Operating expenditure for the 24/25 financial year was fully utilised on items such as purchasing of new meters for new connections, on infrastructure repairs and maintenance and purchasing of materials like transformers. The installation of new meters within Amahlathi during the 24/25 financial year has dropped the electricity losses from 35%(in 23/24) to 20% in the 24/25 financial year.

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

INTRODUCTION TO WASTE MANAGEMENT

In the initial year of implementing the National standard for weekly refuse collection from every household, a comprehensive approach has been adopted to ensure equitable and consistent waste management services across all clusters. The primary actions include expanding collection areas, increasing fleet capacity, and initiating door to door community surveys awareness campaigns to promote participation and proper waste disposal.

Major successes achieved and challenges faced

- **Expansion of service coverage:** Significant progress has been made in extending refuse collection services to previously underserved or unserved households e.g. Kologha Township.
 - **Fleet and infrastructure:** Investment in two (2) new refuse collection cage trucks has improved efficiency and reliability.
 - **Public engagement:** Successful awareness campaigns have increased household participation rates and improved waste disposal practices, contributing to cleaner communities. **The following awareness, clean-up and clearing of illegal dumping hotspots campaigns were conducted:**
- Waste awareness, clean-up and clearing of illegal dumping hotspots campaign conducted at Mlungisi Location, (Ward 14 & 15) on the 4 July 2024.
 - Waste awareness and clean-up campaign conducted at Stutterheim town (Ward13) on the 9 July 2024.
 - Waste awareness and clearing of illegal dumping hotspot campaign conducted at Kologha township (Ward 13) on the 27 July 2024.
 - Waste Awareness Campaign conducted at Amatolaville Primary School on the 3 September 2024.
 - Clean-up campaign conducted in Stutterheim town Ward 13 (Hill Street & N6 Route) on the 7th and 8th November 2024.
 - Clean-up and clearing of illegal dumping hotspot campaign conducted at Mlungisi Location (Khayelitsha) Ward 15 on the 19 November 2024.
 - Clean-up and clearing of illegal dumping hotspot campaign conducted at Mlungisi Location Ward14 on the 20 November 2024.
 - Awareness campaign conducted at Kologha Township Ward 13 on 09th December 2024.
 - Awareness and clean-up campaign, clearing of illegal dumping hotspot conducted in Cathcart Ward 5 (N6 Route, CBD, KatiKati township, old railway line area) on the 14th January 2025.
 - Clean-up and clearing of illegal dumping hotspots campaign conducted in Stutterheim town Ward 13 (CBD, N6 Route, open spaces) on the 20th January 2025.
 - Clean-up and clearing of illegal dumping hotspot conducted at Kologha township Ward13 on the 24th January 2025.
 - Clean-up and clearing of illegal dumping hotspots in Stutterheim town (Long Street, Hill Street)
 - Clean- up and clearing of illegal dumping hotspots conducted in Stutterheim town Ward 13 (Cnr. Brownlee & Sprigg Street, Cnr. Long street & Sprigg street) on the 13th March 2025.
 - Door to Door Awareness: Blitz- Joint Operation at Kologha township Ward 13 on the 19 March 2025.
 - Waste and Environmental management awareness campaign conducted at Cenyu Public School, Mlungisi Location, Ward 15 on the 21 May 2025. Awareness focused on different types of waste and its origin, types of waste management (recycling, composting, landfill, incineration) waste minimization (re-use, reduce, recycle), pollution and prevention.
 - A Waste and Environmental management awareness campaign conducted at Sikhulule Public School, Mlungisi Location, Ward 14 on 22 May 2025. Awareness focused on different types of waste and its origin, types of waste management (Recycling, composting, landfill, incineration) waste minimization (Re-use, Reduce, recycle), pollution and prevention.

- Awareness and Clean-Up campaign conducted on the Route from Mlungisi Location, Ward 14 to Stutterheim town, Ward 13 on the 22 May 2025.
- Clearing of illegal dumping hotspots conducted at Nkqenkqenkq, Ward 14 and Khayelitsha, Ward 15 (Jongile High School area) Locations on the 30 May 2025
- **Monitoring tools:** Implementation of data collection tools (street cleaning, waste collection, waste disposal) has enhanced monitoring and planning capabilities, enabling more responsive service delivery.

Challenges faced

- **Resource constraints:** Insufficient funding and logistical challenges have limited the pace of infrastructure expansion and fleet procurement.
- **Operational disruptions:** Initially, with the new routes (Kologha Township) and schedules caused occasional service delays.
- **Public compliance:** Despite awareness efforts, some households are not adhering to waste collection schedules.

PROGRESS MADE WITH STREET CLEANING, WASTE COLLECTION, WASTE DISPOSAL

1. Street Cleaning

Daily street cleansing and clearing of illegal dumping hotspots operations are conducted by solid waste employees, EPWP participants and CWP participants.

- Daily street cleansing is conducted on Mondays to Fridays in all clusters and including night shifts and weekends in Stutterheim.
- Focus areas are the central business district, streets around towns, open spaces and outside areas
- Daily routine checks are conducted by the solid waste officer and supervisors to monitor the work done using a street sweeping and businesses' waste collection monitoring tool.
- Un-serviced areas are serviced through clean-up campaigns and clearing of illegal dumping hotspots monthly.

2. Waste Collection

Waste collection is done on households and businesses using the two (2) newly procured cage trucks i.e. 1 truck servicing Stutterheim, Amabele, Kei Road and another one servicing Cathcart. Factories, some businesses serviced by a skip bin truck in Stutterheim and old cage truck servicing Keiskammahoek.

Table 1: Waste collection conducted in residential areas, factories, and businesses as follows:

Cluster	Areas
Stutterheim	Stutterheim town, Lower Kologha, Mlungisi location, Kologha Township, Amatolaville, Amabele and Kei Road
Cathcart	Cathcart town, Daliwe and KatiKati locations
Keiskammahoek	Keiskammahoek town, Valdrai, Newtown and Sophumelela location
Factories	Anca Chicks and Newden
Businesses	Pick'n'Pay, Shoprite, Big Daddys, Spar, bowling club, country club, golf and tennis clubs.
Departmental sectors	Hospitals, Clinics, schools, school hostel, Department of Home Affairs, Department of Social Development, DRDAR, Department of Justice etc.

3.Waste Disposal

Collected waste is disposed of at the landfill sites i.e. Stutterheim, Cathcart and Keiskammahoek landfill sites.

Stutterheim disposal site: The site is currently licensed, fully operational with no cover material and compaction taking place due to no landfill compactor. As a result of no compaction taking place the site is not compliant with the conditions stated on the license and has reached its capacity. Daily operations and maintenance of the site like waste clearing are done by a front-end-loader, blowing paper is picked up by the EPWP casuals daily. The weighbridge is not operating due to no electricity transformer on site; the waste volume estimates are recorded on the waste disposal monitoring tool. Records of waste volumes are loaded on the South African Waste Information System (SAWIS) quarterly as means of reporting to National department. Vehicles with loads of waste are recorded by the spotter and EPWP casuals. Waste volumes recorded for this reporting period were 14471,1 Tons. Four internal audits were conducted on this reporting period.

Cathcart disposal site: The site is operating illegally as it is not licensed. It is currently operating under the action plan submitted to the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) towards closure of the site. The Basic Assessment towards closure license of the site has been done by the appointed consultant and the application for closure license is now with relevant authorities. Waste volumes are recorded by the solid waste supervisor/ driver on the waste disposal monitoring tool. Waste volumes recorded for this reporting period were 5308 Tons. Four internal audits were conducted on this reporting period.

- **Keiskammahoek disposal site:** The site is fully operational and currently licensed. There is no compaction taking place, the site is non-compliant with the conditions stated on the license. Waste volumes are recorded by the solid waste supervisor/driver on the disposal monitoring tool. Waste volumes recorded for this reporting period were 1243.4Tons. Four internal audits were conducted on this reporting period.

PROGRESS MADE WITH RECYCLING INITIATIVE

The department has demonstrated fair progress in advancing the recycling initiative, aligning with environmental and waste management goals. Key progress include:

- Establishment of a Recyclers' data base.
- Continuous engagements with recyclers in Cathcart with the aim of commencing operations at the transfer station in Cathcart. The recyclers were trained by DEDEAT on recycling activities and conditions listed on the transfer station permit.
- Registration of Cathcart recyclers as a co-operative on CIPC with the assistance from LED department-

Amahlathi LM.

- Schools' recycling survey/ awareness are conducted in primary schools, as well in businesses.
- A waste characterization training was conducted with assistance by the Department of Forestry, Fisheries & Environment (DFFE) for the recyclers, waste pickers, community members, CWP participants and ward committees at Stutterheim landfill site.

Challenges encountered.

- **Limited resources:** Budget constraints and logistical constraints have limited the scale and frequency of planned recycling activities.
- **Infrastructure:** There is a need for recycling equipment and facilities

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Solid Waste Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households Year 0
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Solid Waste Removal:</u> (Minimum level)				
Removed at least once a week	71 868 (rate consumption from July 2024 to June 2025)	71 868	71 868	71 868
<i>Minimum Service Level and Above sub-total</i>				
<i>Minimum Service Level and Above percentage</i>	47%	47%	47%	47%
<u>Solid Waste Removal:</u> (Below minimum level)				
Removed less frequently than once a week	655	547	565	523
Using communal refuse dump	865	846	487	865
Using own refuse dump	655	547	565	523
Other rubbish disposal	502	952	938	720
No rubbish disposal	112	123	124	124
<i>Below Minimum Service Level sub-total</i>	2 789	3 015	2 678	2 755
<i>Below Minimum Service Level percentage</i>	49,1%	52,9%	48,5%	55,2%
Total number of households	5 685	5 699	5 523	4 991
T 3.4.2				

Households - Solid Waste Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	33 621 (2022 estimate)	33621	33621	33621	33621	33621
Households below minimum service level	26 683	26683	26683	26683	26683	26683
Proportion of households below minimum service level	79% 2	79%	79%	79%	79%	79%
Informal Settlements						
Total households	6938 (served households)	6938	6938	6938	6938	6938

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Households below minimum service level	2 355	2 355	2 355	2 355	2 355	2 355
Proportion of households below minimum service level	33.9 %	21.5%	21.5%	21.5%	21.5%	21.5%
T 3.4.3						

Employees: Solid Waste Management Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	22	26	22	4	27.3%
4 - 6	0	0	0	0	0%
7 - 9	4	6	4	2	33.3%
10 - 12	1	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	27	31	27	4	27%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T3.4.5					

Employees: Waste Disposal and Other Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	0	0	0	0	0%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the					

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total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T3.4.6

Financial Performance Year 0: Solid Waste Management Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R 234 121.00	R1 710 606.00			
Expenditure:	R 160 937.47	R1 710 606.00			
Employees					
Repairs and Maintenance	R 60 139.51	R103 100.00			
Other	R 100 797.96	R131 021.00			
Total Operational Expenditure					
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.4.7					

Capital Expenditure Year 0: Waste Management Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
RESTORATION OF STUTTERHEIM LANDFILL SITE PROJECT PHASE2	R3.3 000 000.00		R3,106,454.84		R3.3 000 000.00
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.4.9					

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The Integrated Waste Management Plan (IWMP) has been endorsed by the MEC – Economic Development, Environmental Affairs and Tourism (DEDEAT) on the 28 August 2023. The waste section is to report to the DEDEAT on the implementation of IWMP quarterly. The waste management officer was appointed on the 1 September 2023 and designated.

Waste management services within the municipality are functioning at a basic level, with regular refuse collection provided in all municipal clusters (Stutterheim, Cathcart, Kei Road, Amabele & Keiskammahoek) throughout the week (households, businesses, old age homes, hospitals, factories etc.) by municipal employees and EPWP casuals. Unserved areas (informal settlements & rural) are serviced through clean up campaigns and clearing of illegal dumping hot spots. In some instances, vehicle breakdowns cause interrupt collections and create delays, which in turn contributes to illegal dumping.

At landfill sites access is generally available to the public and efforts such as fencing and securing sites are being implemented e.g. Restoration of Stutterheim landfill site Project Phase2 funded by DEDEAT. Compliance with licensing requirements remains a challenge as the sites are non-compliant and under audit due to no daily cover and compaction taking place. Recycling initiative efforts are currently underdeveloped, while informal waste pickers play an important role there is still no formal separation at source programme across the municipality and there is no drop off facilities available within the municipality. Meaning the diversion from landfill remains well below national targets.

Complaints are recorded and responded to within the turnaround time, 24 hours. Service changes are always communicated to the community such as delays or interruption of services.

Based on external audit scope and municipal priorities, these would likely be prioritized to address compliance, capacity and environmental standards:

- Closure and Rehabilitation of Cathcart Landfill site
- Upgrading the Stutterheim landfill site (Construction of a new cell, purchasing landfill compactor machinery)
- Cathcart transfer station upgrades/expansion (procurement of skip bins, recycling facility)
- Upgrades at the Keiskammahoek landfill site (fencing).

3.3 HOUSING

INTRODUCTION TO HOUSING

Amahlathi Local Municipality has been operating with an old and outdated Human Settlements Sector Plan (HSSP) which was developed and adopted in 2013. The Municipality in conjunction with Department of Human Settlements have developed a Human Settlement Sector Plan (HSSP). The document has recently been adopted by Council in June 2025. The HSSP is a legislative requirement in terms of Section 9 (1)(f) of the Housing Act, 1997 (Act No. 107 of 1997). The Act requires every municipality to take reasonable and necessary steps to initiate, plan, coordinate, facilitate, promote and enable appropriate housing development in its area of jurisdiction. The plan is aligned with the national and provincial human settlements priorities. It is developed based on the approved National Framework for Development of HSSPs and forms a chapter in the Municipal Integrated Development Plan (IDP). Human Settlement is the housing provider; thus, they provide housing to the Municipality. Thus, the budget for

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Human Settlements Development is kept by the Department of Human Settlements. Amahlathi LM is not Accredited to provide housing.

During the year under review, the Department of Human Settlements has implemented several projects as shown below:

RUNNING PROJECTS	BLOCKED PROJECTS	PLANNING PROJECTS	NEW APPLICATIONS	CLOSE-UP PROJECTS
1. Cenyu Village 450 2. Cenyulands 692 3. Masincedane 200 (99) 4. Kubusi 304 (156) 5. Frankfurt 300 6. Gasela 75 7. Katikati 300 8. Squashville 153 9. Mthonjeni 80 10. Goshen 100	1. Mlungisi 270 2. Ndakana 1300 (35)	1. Kei Road Northern Node 421 (Phase 2)	1. Nothenga 26 2. Gubevu 312 3. Mbaxa 4. Ethembeni 5. Ndlovini 6. Mgwali 7. Border Post And Nompandlana	1. Xholorha 700 2. Kei Road Northern Node 421 (Phase 1)

The budget set aside for these projects for the year under review is R53 779 108.00. These projects are at various stages of development.

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -3	na		na
Year -2	na	na	na
Year -1	na	na	na
Year 0	38,883	16,032	74.4
Total			
T 3.5.2			

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Employees: Housing Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	0	0	0	0	0%
7 – 9	1	1	1	0	0%
10 – 12	1	1	1	0	0%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	2	2	2	0	0%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					
T 3.5.4					

COMPONENT B: ROADS AND TRANSPORT

3.4 INTRODUCTION TO ROAD TRANSPORT

The Municipality is responsible for maintenance and rehabilitation of local roads within Amahlathi jurisdiction. Cleaning and unblocking of storm water drains to prevent overflow during rainy season. Provision of safe, rideable roads infrastructure and uninterrupted transport movement for the community. Provision of storm water structures to prevent overflowing ,injury and damage to property.

The key objectives are maintenance of the road infrastructure to ensure, that it performs at its optimal and thus reduce safety hazard. by Provide the community with safe riding roads Reconstruction and rehabilitation of road infrastructure that has deteriorated. The roads department conducts routine road maintenance for the infrastructure to prevent deterioration and collapse of the infrastructure. The inclement weather has been the biggest challenge in this financial with multiple storms resulting in disaster . the roads were greatly affected by the disaster and the infrastructure deteriorated further, erosion of the wearing coarse, donga formation and collapse of storm water structures. The roads and storm water unit has managed to achieve 59km in road maintenance using Grader loaned by the Department of Transport.

Gravel Road Infrastructure				Kilometers
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
Year -2	145	15	1.8	100
Year -1	160	20	0.6	40
Year 0	166	51	2.0	59

3.5 WASTEWATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The roads and storm water team are responsible for maintenance , cleaning ,unblocking and rehabilitation of storm water structures within Amahlathi towns. The storm water drain unblocking is performed in these areas Stutterheim, Cathcart, Kei Road and Keiskammahoek towns .The unit performs routine maintenance of the storm water drains and ad hoc maintenance during rainy season. The Roads and Storm- water Forman heading the team utilize the EPWP workers for unblocking of drain. The EPWP participants employed are from the towns and villages within Amahlathi. In 2024/25 the department has achieved 17,2km of storm water unblocking. Only permanent employee at Storm water section working with EPWP.

Stormwater Infrastructure				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Kilometers Stormwater measures maintained
Year 0	18	0	1	17
				T 3.9.2

The storm water unit had target of unlocking at least 16km of storm drains within the towns of Amahlathi. The unit achieved 17,2km of storm water unblocking in the 2024/25 financial year. The capital project implemented through Grants also focus on upgrading and construction on new storm water infrastructure.

Job creation through EPWP* projects		
	EPWP Projects	Jobs created through EPWP projects
Details	No.	No.
Year -2	7	142
Year -1	13	405
Year 0	12	453
* - Extended Public Works Programme	T 3.11.6	

COMPONENT C: PLANNING AND DEVELOPMENT

3.6. PLANNING

INTRODUCTION TO PLANNING

The Town Planning Unit obtains guidance and development strategies from 3 crucial legislative frameworks, namely the Spatial Development Framework (SDF), Land Use Scheme (LUS), the Municipality's SPLUMA By-Law, and the Human Settlements Sector Plan (HSSP). The main challenges faced by the unit in Year 0 include the following:

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- the lack of a standard operating procedure in implementing Section 172 of the municipality's SPLUMA By-Law, 2016
- the absence of a SPLUMA compliant SDF
- Lack of personnel to combat illegal land uses within our municipal jurisdiction
- An outdated HSSP

Achievements by the unit in Year 0 include:

- Undergoing the procurement process to appoint a service provider for the review of the Municipality's SDF.
- Completing the first draft of the HSSP review

Our top 3 service delivery priorities include the provision of middle-income housing/ First Home Finance, and a Commercial Development (Shopping Centre) in Stutterheim. During Year 0 Terms of reference and bid specifications were developed for the proposed shopping centre. With regards to housing provision, the Department of Human Settlements has availed the services of Gap Infrastructure Corporation (GIC) such as the development of General Plans for the proposed sites.

Applications for Land Use Development						
Detail	Formalisation of Townships		Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0	Year -1	Year 0
Planning application received	4	-	1	9	29	35
Determination made in year of receipt	Evaluation and assessment process	-	Evaluation and Assessment	Evaluation and Assessment	26 -approved 3 -denied due to con-compliance with LUS	28 approved 7 denied due to non-compliance with LUS
Determination made in following year	Required amendments sent to applicant	-	Approved	Approved	-	-
Applications withdrawn	-	-	-	-	-	-
Applications outstanding at year end	-	-	-	2	-	-
						T 3.10.2

Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6				0	0%
7 - 9	0	0	0	0	0%
10 - 12	2	4	2	1.06	50%
13 - 15	0	0	0	0	0%
16 - 18	0	1	0	1.084	100%

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19 - 20	0	0	0	0	0%
Total	2	5	2	0	33%

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

3.10.4 T

Financial Performance Year 0: Planning Services						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	0	0	0	0	0	
Expenditure:						
Employees						
Repairs and Maintenance						
Other						
Total Operational Expenditure						
Net Operational Expenditure						

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

T 3.10.5

Capital Expenditure Year 0: Planning Services						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All						
Project A	0	0	0	0	0	
Project B						
Project C						
Project D						

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

T 3.10.6

The targets are:

1. Spatial Development Framework R450 000
2. Human Settlements Sector Plan R0 (Project funded by DHS)
3. Cathcart Small-towns Revitalisation R0 (Project funded by ADM)
4. LED Strategy R0 (Project funded by COGTA)
5. Furniture Incubation R0 (Project funded by DFFE)

3.7. LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

Amahlathi Local Municipality has an outdated LED Strategy, which was last reviewed in 2012. In conjunction with Provincial department of Cooperative Governance are in the process of developing a new Local Economic Strategy. The LED Strategy was adopted by Council in May 2025. The new LED Strategy focuses on the following:

- Promotion of innovative strategies
- Potential funders
- Promotion of partnerships
- Renewable energy.

Currently the department is operating with a zero budget and is heavily reliant on other departments such as DRDAR, DFFE, DEDEAT, just to mention a few. The Municipality relies on forming partnerships with strategic institutions and implementation of Memorandum of Understanding with them as to improve local economic development of the institution. Service delivery priority projects were the Review of Amahlathi LED Strategy, Implementation of Stutterheim Master and Precinct Action Plan as one of the key catalytic projects, and to ensure that Amahlathi Community benefit on key projects implemented in the Amahlathi area such as SANRAL projects and projects implemented by Municipal Engineering Department.

Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 Initiatives	Jobs created	Jobs lost/displaced by other initiatives	Net total jobs created in year	Method of validating jobs created/lost
	No.	No.	No.	
Total (all initiatives)				
Year -2	1500	0	1550	Through CWP Reference Quarterly meeting.
Year -1	1476	24	1476	
Year 0	1337	139	1337	
Initiative A (Year 0)				
Initiative B (Year 0)				
Initiative C (Year 0)				

Job creation through EPWP* projects		
Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year -2	7	142
Year -1	13	405
Year 0	12	453
* - Extended Public Works Programme	T 3.11.6	

Employees: Local Economic Development Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	2	3	2	1.056	10%
7 - 9	3	3	0	0	0%
10 - 12	2	2	2	0	0%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	9	10	9	1.084	10%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T 3.11.8					

Financial Performance Year 0: Local Economic Development Services					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0	0	0	0
Expenditure:					
Employees					
Repairs and Maintenance					
Other					
Total Operational Expenditure	0	0	0	0	0
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.11.9

Capital Expenditure Year 0: Economic Development Services					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	0	0	0	0	0
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.11.10

COMPONENT D: COMMUNITY & SOCIAL SERVICES**3.8. LIBRARIES;****INTRODUCTION TO LIBRARIES**

The main aim of library and information services is to empower communities through meeting their needs with regards to access to information. It improves education, culture and recreational opportunities by providing resources in various formats to the entire community. To promote the culture of reading and effective use of library resources the following activities were conducted by library and information services through the following libraries:

- Stutterheim Public Library, Cathcart Public Library, Kei Road Public Library, Kati-Kati Public Library and Mgwali Public Library.

Amahlathi LM Libraries functioning is improving over the years as all programmes are being introduced including the availability of WIFI services in 5 libraries. 2 Libraries are using the brocade library system whilst others are in the process of actively using the system.

MEMBERSHIP STATISTICS FOR LIBRARIES.

Stutterheim Public Library :	5 139
Cathcart Public Library :	899
Kei Road Public Library :	288
Kati kati Public Library :	574
Mgwali Public Library :	12

Walk- in : 13 115 library patrons

BOOK CIRCULATION

Stutterheim and Cathcart Public Library : 14 261

Employees: Libraries;					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	3	3	3	0	0%
7 - 9	1	1	1	0	0%
10 - 12	2	2	2	0	0%
13 - 15	1	1	1	0	0%

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16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	7	7	7	0	0%

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

T 3.12.4

Financial Performance Year 0: Libraries;

R'000

Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance					
Other	R116 578.16	R143 235.00			
Total Operational Expenditure					
Net Operational Expenditure					

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

T 3.12.5

Capital Expenditure Year 0: Libraries;

R' 000

Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A					
Project B					
Project C					
Project D					

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

T 3.12.6

Human Resources for the libraries is as follows: 06 librarians of which 02 are municipal employees and 04 DSRAC employees; 03 library assistants of which 01 Library Assistant is a municipal employee and 02 DSRAC employees

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through the EPWP programme. To enhance the operation of Library and Information Services, libraries received the following resources:

Resource	Sponsor
1 300 donations of books received	Walter Sisulu University
3 boxes donations of books received	Buffalo City Metropolitan Municipality
10 boxes of new books received	Department of Sport, Recreation, Arts and Culture
40 donations of books received	Friends of the library

Promotion of Libraries

In promoting the culture of reading and marketing libraries outreach programmes through awarenesses were conducted in all areas around Amahlathi Municipality as follows:

NAME OF EVENT	VENUE	DATE
Awareness campaign	Nonyameko Public School at Ndakana	17 July 2024
Partook in Mandela day	Sophumelela Public School at Langdraai	18 July 2024
Awareness campaign	Jongile Nompondo High School	30 July 2024
Literacy day	Cathcart High School	7 August 2024
Career dress-up day	Amatolaville Public School	28 August 2024
Spelling bee	Stutterheim Library	30 August 2024
International Literacy day	Masimanyane High School	4 September 2024
Awareness campaign	DG Public School	6 November 2024
Awareness campaign	Cenyu Public School	21 November 2024
Holiday program	Rise Up Kiddies	10 December 2024
Awareness campaign	Stutterheim Correctional Services	29 January 2025
Read aloud day	New Garden School (Stutterheim), Footsteps (Cathcart), Ncedisizwe (Katikati), Emajwareni (Mgwali)	5 February 2025
Library week	Heckel Primary School	12 March 2025
World book day	Kubusie High School	9 May 2025
Awareness campaign	Ndakana Public School	14 May 2025
Readathon	Sivuyile Public School	28 May 2025

E-books

- Electronic books are active, all registered libraries' patrons have been registered for access to e-books, were furthermore taken through e-books process.

Mini – Library for Blinds (MINILIB)

- Visually impaired patrons utilize audiobooks that were loaded to their envoy connect portable devices.

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Keiskammahoek

- Library team successfully assisted more than 30 applicants for universities in Keiskammahoek Springbok Hall in supporting greater access to higher education, the focus was on grade 12 learners as well as youth that had not applied the previous year. The process of online application is progressing in all Amahlathi libraries.

Library Displays

Displays have been laid in all Amahlathi libraries on monthly bases commemorating different historical events.

District Event

- Jongile Nompondo and Cathcart High Learners represented Amahlathi Municipality in a District event that was held at Great Kei Municipality on the 16th August 2024. The Afrikaans book review winner from Cathcart High partook in a Provincial Literacy Day that was held at Mthatha on the 6th to 7th September 2024, was also nominated for Funda Mzantsi Championship that was in George on the 23rd to 27th September 2024.

Zamukhanyo Daliwe, RC primary schools represented Amahlathi in a District event that took place at Mquma municipality on the 23 October 2024, where they achieved top positions in book reviews, spelling bee and reading.

Book clubs

Izithole book clubs have been active in all libraries, each library has adopted 10 learners from an identified school to partake in Izithole book club program.

3.9. CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

Cemetries fall under the Parks and Gardens Section. All wards have cemeteries with burial plots being sold at the Mlungisi location cemetery, Stutterheim town cemetery, Keiskammahoek and Cathcart. There is a need to identify new cemeteries especially in Stutterheim and this requires land to be identified. Cemeteries are cleaned regularly with the assistance of EPWP participants.

There municipality does not have a crematorium.

166 burial plots were sold during the 2024/25 financial year with tariff depending on site location and type of coffin.

16 destitute families were assisted with burial throughout the Municipality.

Due to staff shortage, there is no staff specifically dedicated to cemeteries , all employees in the Parks and Gardens Section do all work.

The disposal of the dead function is a district in terms of the Powers and Functions.

Employees: Cemeteries and Crematoriums					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	3	3	3	0	0%

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4 – 6	0	0	0	0	0%
7 – 9	1	1	1	0	0%
10 – 12	0	0	0	0	0%
13 – 15	0	0	0	0	0%
16 – 18	0	0	0	0	0%
19 – 20	0	0	0	0	0%
Total	3	3	3	0	0%

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

T 3.13.4

Financial Performance Year 0: Cemeteries and Crematoriums					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance					
Other	R143 090.11	R207 439.00			
Total Operational Expenditure					
Net Operational Expenditure					

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

T 3.13.5

Capital Expenditure Year 0: Cemeteries and Crematoriums					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0

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

T 3.13.6

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3.10. FIRE

INTRODUCTION TO FIRE SERVICES

The function is severely underfunded despite legislative obligations imposed upon the municipality. Efforts of the Fire Service are aimed at risk management which has reduced the number of fire call outs from over 160 per annum to below 90 per annum. Service priorities are fire prevention, fire protection and fire suppression in order to protect life, property, environment and local economic development. Fire risk reduction and prevention strategies within the municipal forest and commonages are supportive of local economic development opportunities for the community as well as the municipality.

Fire Service Data					
	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	83			
2	Total of other incidents attended in the year	6			
3	Average turnout time - urban areas	Less than 20 minutes			
4	Average turnout time - rural areas	More than 20 minutes			
5	Fire fighters in post at year end	4		4	6
6	Total fire appliances at year end	1	3	1	3
7	Average number of appliances off the road during the year	1			1
					T 3.21.2

Employees: Fire Services					
Job Level	Year -1	Year 0			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Fire Officer & Deputy					
Other Fire Officers					
0 - 3	1	1	1	0	0%
4	4	4	4	0	0%
Total	22	23	22	1	4.54%

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

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while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.21.4

Financial Performance Year 0: Fire Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Fire fighters					
Other employees					
Repairs and Maintenance					
Other	R42 143.94	R237 637.00			
Total Operational Expenditure					
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.21.5					

Capital Expenditure Year 0: Fire Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.21.6					

THE PERFORMANCE OF FIRE SERVICES OVERALL:

The fire and rescue service has a fire station in Stutterheim serving the entire municipality and currently has only had one fire truck operational since June 2023. Service delivery time frames and even responses are consequently jeopardized on a regular basis during the annual winter fire season. This may lead to loss of or harm to life, property, local economic development opportunities and the environment.

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Fire service risk management strategies are being maintained in that the service meets its annual targets of fire break implementations, fire awareness campaigns, fire hydrant inspections and fire safety inspections.

There is urgent need to expand the fire service to Cathcart, Keiskammahoek and Kei Road, where fire outbreaks are allowed to get large and dangerous due to long distance travel time from Stutterheim. At least 2 more fire trucks and bakkies are required to manage the risk of fire and at least 3 fire supervisory posts will need to be funded, in order to provide an efficient service to these areas.

3.11. OTHER (DISASTER MANAGEMENT AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT

Disaster management has at its core the functions of prevention, mitigation, preparedness, response and recovery. It is a multi-disciplinary function that encompasses varied and wide fields of service delivery in coordination with a wide spectrum of stakeholders and role players. This coordination usually takes place via a Joint Operational Centre.

The section has had an extremely busy year having dealt with large scale wind and rainfall damages as well as several fires. The municipality was affected by severe disasters with the severe being In March where settlements were total destroyed living dwellers displaced. All affected households received due attention in terms of humanitarian aid from Gift of the Givers and Hope of Africa and the section closely cooperated with District, Provincial and National spheres of government as well as private organisations within set deadline timeframes to give meaningful effect to response and recovery aspects to affected communities. The section conducted 51 disaster vulnerability assessments which were followed up by 10 disaster relief operations. At least 13 Joint Operations Centre meetings took place to ensure coordinated and efficient management of incidents and their victims. Advisory forum meetings were held to improve on related challenges from the year and plot a better way forward. 14 awareness campaigns were held with the purpose of improving community disaster, fire and safety awareness.

There unit is operating within the fire services unit as there are currently no personnel dedicated. However, a position had been added and approved in the Organogram. The Municipality has a Service Level Agreement with SPCA for the management of the municipal animal pound.

Capital Expenditure Year 0: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Project A	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.22.6					

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3.12. TRAFFIC SERVICES/ LAW ENFORCEMENT

There is a functional traffic department at Amahlathi Local Municipality. The Motor Vehicle Licensing and Registration section collected a total of R 1 742 715.00 for the 2024/2025 financial year.

The Driving License Testing Centre section collected a total of R 957 716.25 for the 2024/2025 financial year.

TOTAL INCOME BY MVRA		R 957 716.25
TOTAL INCOME BY DLTC		R 1 742 715.00
TOTAL BY TCS		R 20 800.00

54 roadblocks were conducted, and 733 tickets were issued on road regulations transgressions.

Financial Performance Year 0: Law Enforcement					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance					
Other	R102 373.25	R170 000.00	R15		
Total Operational Expenditure					
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.22.5

COMPONENT H:

3.13. SPORT AND RECREATION

This component includes community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites. The component falls under the Parks and Gardens Section. No personnel is dedicated to the function. The Municipality has 16 public amenities inclusive of the recreational centre spread out in all clusters although some of these are in poor state due to not being maintained and as such buildings are exposed to vandalism and burglaries. The Municipality however does make effort to maintain these through a combination of in-house repair work by the handyman and outsourced maintenance through contractors. There are sports field in all wards for rugby and soccer being mended by the municipality and these being used for various tournaments especially during Easter season.

There is also a state of the art sport field at Mlungisi location being constructed in phases towards being completed.

COMPONENT E: CORPORATE POLICY OFFICES AND OTHER SERVICES

3.14. EXECUTIVE AND COUNCIL

INTRODUCTION TO EXECUTIVE AND COUNCIL

The Executive Services Department encompasses both the office of the municipal manager and strategic services. The department's primary focus is to provide strategic direction and support to the council's development initiatives. The main functions are strategic planning and management, communications, special programmes, satellite offices, legal services, internal auditing, risk management, intergovernmental relations, management of staff of political offices and political office administration. The support function on political offices includes management and administrative support provided to MPAC, Women Caucus and Rules and Ethics Committee.

Employees: The Executive and Council					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	13	19	14	6	68%
10 - 12	1	4	1	0	25%
13 - 15	3	9	2	6	33%
16 - 18	1	2	1	1	50%
19 - 20	1	1	1	0	100%
Total	19	35	20	16	54%
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
T 3.24.4					

Capital Expenditure Year 0: The Executive and Council					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Project A	0	0	0	0	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.24.6					

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

The executive services fell below the performance bar of 80% for the 2024/25 financial year. The root causes include planning on indicators that are controlled outside the department. The department depended on the Provincial Treasury for the quality assurance on the internal audit function. The impact of the reversal of standardization led to some employees falling sick for prolonged periods. Some performance indicators suffered as a result. Executive services managed to make 79%. The five targets that are not met constitute 21%. The department has braced itself to ensure this does not happen in 2025/26 financial year. The two performance indicators that could not be achieved by internal audit are incorporated into this financial year's plan. The other two performance indicators from legal service are split. The one on compliance is given to internal audit. Legal is place under close monitoring by the accounting officer to ensure the performance of legal matters. The remaining SPU target was postponed owing to budget constraints. During this financial year, a request for the budget will be submitted at budget adjustment stage.

3.15. FINANCIAL SERVICESINTRODUCTION FINANCIAL SERVICES

Debt Recovery							
R' 000							
Details of the types of account raised and recovered	Year -1		Year 0			Year 1	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates							
Electricity - B							
Electricity - C							
Water - B							
Water - C							
Sanitation							
Refuse							
Other							
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.							T 3.25.2

Employees: Financial Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of

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	No.	No.	No.	No.	total posts) %
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

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

T 3.25.4

Financial Performance Year 0: Financial Services						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Budget	
Total Operational Revenue	36 816 977	31 273 051	38 705 854	36 892 197		-1.3%
Expenditure:						
Employees	23 845 057	25 168 169	22 605 172	20 788 178		-17%
Repairs and Maintenance	0	0	0	0		0%
Other	13 438 371	15 279 049	13 470 589	12 558 319		-7%
Total Operational Expenditure	35 060 477	40 447 737	36 075 761	33 346 497		-8%
Net Operational Expenditure	1 756 500	-9 174 686	2 630 093	3 545 700		34%

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

T
3.25.5

Capital Expenditure Year 0: Financial Services						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	0	0	0	0%		
Project A	0	0	0	0%	0	
Project B	0	0	0	0%	0	

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Project C	0	0	0	0%	0
Project D	0	0	0	0%	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.25.6

3.16. HUMAN RESOURCE SERVICES

Human Resources is a strategic approach to managing an organization's valuable assets, its people focussing on Recruitment, training, Performance Management and Employee Relations. HRM plays a crucial role in aligning the workforce with the organisations goals and ensuring a productive work environment.

The following are the lists of positions that were filled in the financial year 2024/2025

FILLED POSITIONS FOR FROM 01 JULY 2024 – 30 JUNE 2025

POSITION	DEPARTMENT	FUNDING STATUS	STARTING NOTCH	TG	CURRENT STATUS
CFO	Budget and Treasury Office	Funded	R907 864.00	N/A	Commenced duties on 01 September 2024
Town Planning Officer	Development and Town Planning	Funded	R234 966.00	09	Commenced duties on 01 September 2024
Solid Waste Driver/ Supervisor	Community Services Department	Funded	R185 345.00	07	The candidate resumed duties on 01 October 2024
Communications Officer	Office of the Municipal Manager	Funded	R234 966.00	09	The candidate resumed her duties on 01 December 2024
Traffic Officers x 4	Community Services Department	Funded	R303 944.00	09	The 3 recommended candidates resumed duties on 01 January 2025, the fourth one will resume duties on 01 February 2025
Accountant Budget and Financial Reporting	Budget and Treasury Office	Funded	R454 875.00	12	The candidate resumed his duties on 01 January 2025
Driver to the Office of the Speaker	Office of the Speaker	Funded	R160 222.00	06	The candidate resumed his duties on 01 February 2025
Community Liaison Officer	Office of the Mayor	Funded	R321 828.00	09	The candidate resumed his duties on 01 February 2025

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POSITION	DEPARTMENT	FUNDING STATUS	STARTING NOTCH	TG	CURRENT STATUS
Internal Audit Officers x 3	Office of the Municipal Manager	Funded	R326 363.00	11	The candidates resumed duties on 01 July 2025
Manager Roads and Storm	Engineering Services Department	Funded	R634 007.00	16	The candidate will resume duties on 01 September 2025
PMU Manager	Engineering Services Department	Funded	R634 007.00	16	The position was advertised on 25 June 2025, and the closing date is 21 July 2025. Shortlisting 25 July 2025
Office Administrator	Budget and Treasury Office	Funded	R160 222.00	6	The position was advertised, and the closing date was 20 June 2025, shortlisting will be on 25 July 2025.
Communications Manager	Office of the Municipal Manager	Funded	R445 725.00	14	VACANT

TRAINING AND DEVELOPMENT

Funding was sourced from LGSETA to conduct the following training.

- Leadership and Development Training which was catered for Managers, Officers, and Supervisors.
- LED Training.
- Pothole Patching Training which catered for (Unemployed and employees from Engineering Services and EPWP.
- Environmental Practice for municipal employees and unemployed
- Municipal Finance Programme

Employees: Human Resource Services 2024/2025					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
No task	1	0	1	0	
0 - 3	1	0	1	0	
4 - 6	6	7	6	0	
7 - 9	8	8	8	0	
10 - 12	6	3	6	0	
13 - 15	1	0	1	0	
16 - 18	1	1	1	0	
19 - 20	0	0	0	0	
Total	24	19	24	0	

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

T3.26.4

Performance has been cascaded to employees from Task Grade twelve (12) and above and reviews are co-ordinated by each Head of Department then submitted to IDP/PMS office within three (3) working days of the next month after the end of each quarter. It has not yet been cascaded to employees below task grade 12. All targets have been met except for two targets that the department has to put emphasis on.

3.17. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Introduction to information and communication technology (ICT) services

The Information and Communication Technology (ICT) Services unit plays a critical role in supporting the organization's operational effectiveness, digital transformation, and service delivery capabilities. Over the past year, ICT has continued to align its strategic priorities with the broader institutional objectives, focusing on enhancing system reliability, improving user support services, and advancing digital infrastructure and automation of some of the functions of the municipality.

Key priorities during the year included:

- Strengthening cybersecurity and data protection measures
- Expanding and modernizing network infrastructure
- Enhancing remote working capabilities and collaboration tools
- Streamlining IT service management through automation.
- Strengthening ICT infrastructure to support core municipal services
- Improving staff access to reliable internet and digital tools
- Enhancing cybersecurity and data backup measures
- Reducing system downtime and improving response times for support
- Installation of Wi-Fi nodes across the ALM buildings.

ICT Human Resources

ICT Team includes:

- 2 permanent ICT staff
- 2 ICT interns (joined September 2024 & May 2025)

Infrastructure & Operations:

All municipal buildings are connected via ALM's internal network.

Internet access and VoIP, and soft phones are available across the sites.

ISP appointed to improve internet connectivity; **Wi-Fi hotspots installed** at all sites.

Data Management & Continuity

- Disaster Recovery Plan is approved.
- Data backup software is deployed and supports remote backups, reliant on optimal LAN performance.
- Emails migrated to **Microsoft 365** and are fully functional, hosted at an East London data centre.

Significant progress was made in these areas, with notable impact including improved system uptime, faster resolution of support tickets through the online ticketing system that we introduced as an ICT unit, and enhanced user experience across platforms and remote working tools to be able to assist end-users across the scattered municipal buildings timeously. Additionally, the implementation of cloud-based services and upgrades to core infrastructure resulted in greater scalability and cost-efficiency, and fast internet speed through the appointment of the new ISP for the municipality.

To improve performance, ICT introduced new monitoring tools and enhanced ICT staff training in line with evolving technologies through Khan Academy in cybersecurity. These efforts contributed to a measurable increase in system availability and end-user satisfaction. Furthermore, the consolidation of legacy systems and migration to more efficient platforms resulted in substantial operational savings and reduced technical challenges and delays.

In summary, ICT Services has made considerable strides in driving innovation, improving resilience, and delivering value-added support across the municipality. The foundations laid this year will continue to support future initiatives and digital transformation goals.

SERVICE STATISTICS FOR ICT SERVICES

The current manual service incident ticket system is designed to ensure that calls logged by employees are properly tracked and resolved successfully without hindering the business function of the municipality.

TYPE	NATURE	NO
Request Capture	All request from officials is captured and verified in web-based helpdesk(Spiceworks helpdesk).	78
Request Ticket	Tickets were opened to track the customer name, employee(s)email and incident description.	78
Problem Resolution	IT Technicians attempt to resolve all problems and request supported systems and applications. If the problem remains unresolved it is escalated to the next level of support.	0
Incidents Closure	All incidents are closed when resolution has been offered to the respective employees(s), however a resolution report process is not completed by the unit yet.	0

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Customer Satisfaction	Surveys have not been established yet to determine the level of customer satisfaction.	0
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The following are the key areas that logged calls were about:

- Improved response time: Average ticket resolution time decreased significantly due to a new internal helpdesk system and improved issue tracking.
- Reduced outages: Fewer infrastructure outages were recorded due to proactive maintenance and the replacement of outdated equipment.
- Growth in digital systems: Two new systems were introduced to automate internal processes and support service delivery.

Employees: ICT Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3				0	0%
4 - 6				0	0%
7 - 9				0	0%
10 - 12	1	1	1	1	100%
13 - 15					0%
16 - 18	1	1	1	1	100%
19 - 20	0	0	0	0	0%
Total	2		2		100%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p style="text-align: right;">T3.27.4</p>					

3.18. LEGAL& RISK MANAGEMENT

INTRODUCTION TO LEGAL& RISK MANAGEMENT

The department performed better on its strategic and operational risk management and thus falling above the performance bar of 80%. Both in-year monitoring reports and the annual report show that the department generally fell above 80%. The department further worked on the legal matters in the municipality. A report on legal matters was produced on each quarter and submitted for the standing committee to consider. A challenge with this was only experienced in the second quarter when the responsible employee fell sick and was unable to prepare and submit the report as required. A litigation register is also prepared for the monitoring of the litigations and provision of an opinion to council.

Employees: Property; Legal; Risk Management;					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	1	3	0	2	33%
10 - 12	0	1	0	1	0%
13 - 15	0	0	0	0	0%
16 - 18	0	2	1	0	0%
19 - 20	0	0	0	0	0%
Total	1	6	1	3	17%
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

T 3.28.4

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

INSTITUTIONAL PERFORMANCE MANAGEMENT PROCESS OVERVIEW

In the 2024/2025 financial year, attempts were made to ensure that the municipality complies with legislation concerning the development, operation and maintenance of a performance management system that is commensurate to the institutional service delivery objectives enshrined in the IDP. The municipality has continued to maintain the effective operation of the following mechanisms:

- The 2022-2027 IDP included strategic objectives, strategies, and key performance indicators (KPIs) as required by the Municipal Systems Act, 32 of 2000;
- The 2024/2025 budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies. The development of the SDBIP was informed by below

planning and reporting cycle in the quest to create a balance between integrated planning, reporting and accountability.

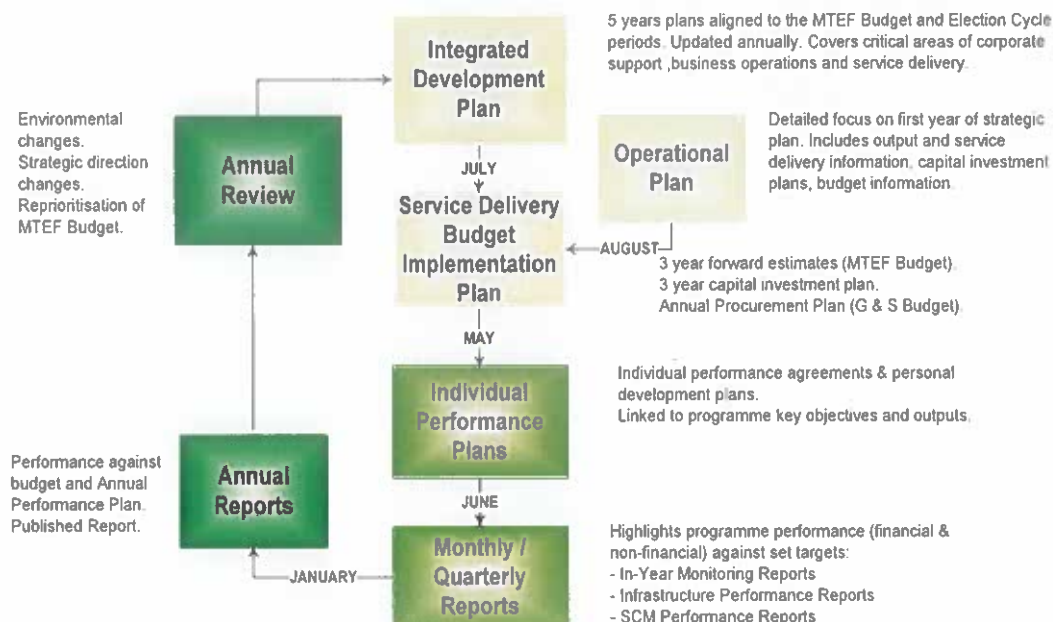


Figure 2: Planning & Reporting Cycle

- Adoption of the 2024/2025 Organizational Performance Management System and score card for monitoring and review of performance;
- Performance agreements with performance plans were developed, signed and approved by the Honorable Mayor as required by the Municipal Performance Regulations, 2006;
- Quarterly performance reports with supporting evidence were prepared by managers directly reporting to the Municipal Manager (MM); and
- Quarterly performance reports were objectively and independently audited by the Internal Audit unit to verify and to confirm performance information as reflected in the reports.

1. CHALLENGES FACED BY THE MUNICIPALITY

The following challenges were encountered in the period under review:

- Slow revenue collection
- Lack of Office Space and tools of trade
- Lack of construction plant.

3.1 STRATEGY TO OVERCOME THE CHALLENGES AND AREAS OF UNDERPERFORMANCE

- Construction or renovation of municipal offices
- Development of strategies to address high employee cost i.e. grading all job descriptions for both existing and vacant positions etc.
- Allocate budget for purchase of construction plant.

2. CHANGES TO PLANNED TARGETS

Section 72 (1)(a)(ii) of the MFMA states that an accounting officer of a municipality, must by 25 January of each year assess the municipality's service delivery performance during the first half of the financial year, and the service delivery targets, and performance indicators set in the SDBIP.

In preparation for the mid-year review of performance, management prepared quarterly reports, measured and analysed performance of the first six months of 2024/25. During the review management reviewed performance for the first and second quarter and also anticipated the last six months of the 2024/25 financial year incognisance of the feasibility to implement certain programmes based on priority and budget availability.

This process culminated to a **mid-year performance report** which highlighted achievements, non-achievements with reasons for non-achievement and corrective measures. The process also emerged with targets having to be amended going into the last six months of the financial year and about 16 targets be added from the strategic SDBIP as the municipality received additional grants i.e. Disaster Grant and Small-Town Regeneration Grant, 1 target removed to financial constraints and 4 targets were adjusted all these amendments were duly approved by all requisite authorities including Council. The table below depicts the changes made on 2024/25 SDBIP financial year as alluded above. Some targets were revised and 1 was removed due to financial constraints.

3.6 PROGRESS REPORT AUDITOR GENERAL'S FINDINGS: PREDETERMINED OBJECTIVES

Refer to attached AG Action Plan in Chapter 6

3.7 FINANCIAL PERFORMANCE INFORMATION - CAPITAL EXPENDITURE 2024/25

Account Description	Funding	Original Budget	2nd Adjustment	YTD Exp (Excl. Vat)
Amabele Roads	Disaster Grant	-	1 868 167,00	1 594 559,53
Bridge between Rhawini and Bongweni	Disaster Grant	-	811 570,00	664 509,84
Kubusie Roads	Disaster Grant	-	2 853 741,00	2 567 678,05
Mandlakapheli Village roads	Disaster Grant	-	2 742 092,00	2 296 549,84
Mlungisi township roads	Disaster Grant	-	2 549 863,00	1 883 670,60
Sutterheim - Landfill Site Road	Disaster Grant	-	935 513,00	1 364 673,71
Upper & Lower Ngqumeya	Disaster Grant	-	2 471 253,00	2 017 960,00
Toise Road and Storm water Project	Disaster Grant	19 145 000,00	-	-
Regraveling Cenyu Village Internal Roads	Disaster Grant	-	3 500 000,00	3 043 283,44
Regraveling Goshen Internal Roads	Disaster Grant	-	2 970 000,00	2 896 260,78
Regraveling Emagcumeni Village	Disaster Grant	-	1 450 000,00	1 256 262,83
Regraveling Pumlani Village	Disaster Grant	-	4 000 000,00	3 466 215,19
Regraveling Ethembeni Village	Disaster Grant	-	3 200 000,00	2 782 077,67
Regraveling Road to Sophumelele	Disaster Grant	-	3 500 000,00	3 039 592,21
Regraveling Kubusie gravel road from area 5 to Mahanjane	Disaster Grant	-	525 000,00	-
KKH recreation Centre	MIG Grant	4 600 000,00	5 243 091,04	4 772 497,89
Mbaxa Community Hall	MIG Grant	2 300 000,00	2 473 854,42	2 698 561,33
Mlungisi Sportfield	MIG Grant	5 400 000,00	5 400 000,00	4 407 684,33
Paving of Xholotha Internal Roads	MIG Grant	13 232 850,00	13 850 000,00	12 158 741,85
Phumlani Community Hall	MIG Grant	2 000 000,00	183 054,54	159 177,86
Municipal Offices	MIG Grant	8 000 000,00	8 382 850,00	7 033 489,33
STR KKH Roads	OTP	-	1 500 000,00	-
STR KKH Electricity	OTP		500 000,00	102 240,00
STR Stutterheim Electricity	OTP		1 000 000,00	1 865 659,90
STR Stutterheim Roads	OTP		1 000 000,00	818 817,33
Upgrade Cathcart Substation	INEP Grant	1 860 000,00	1 860 000,00	1 618 260,87
14V Substation	EEDSM Grant	3 000 000,00	2 850 000,00	2 454 662,50

<i>Account Description</i>	<i>Funding</i>	<i>Original Budget</i>	<i>2nd Adjustment</i>	<i>YTD Exp (Excl. Vat)</i>
Vehicles (Cherry Picker)	Own Funding	700 000,00	1 400 000,00	1 198 032,32
Furniture and Office Equipment	Own Funding	950 000,00	950 000,00	976 910,00
Vehicles	Own Funding	400 000,00	650 000,00	613 610,18
Machinery and Equipment	Own Funding	560 000,00	560 000,00	431 589,84
Vehicles (Traffic)	Own Funding	-	600 000,00	637 351,65
Computer Equipment	Own Funding	-	178 000,00	332 421,62
Waste Trucks	Own Funding	-	1 416 500,00	1 434 421,14
Landfill Site	Waste Grant	-	1 471 802,00	430 386,00
		62 147 850,00	84 846 351,00	73 017 809,63

3.8 PERFORMANCE OF SERVICE PROVIDERS FOR THE YEAR ENDING 30 JUNE 2025

Project Managers were requested to rate the performance of the Service Providers appointed by Council on the various projects. Service Providers and Contractors are rated in terms of the following:

- **Below Standard** - The Contractor/Service Provider did not meet the basic requirements as spelt out in the tender or contract. This may result in the contract being cancelled and/or the retention fee being withheld from the contractor. The Contractor may be asked to rectify the problem, or the contract may be cancelled, and another Contractor/Service Provider may be appointed to complete the contract/ project.
- **Acceptable** - The Contractor/Service Provider completed the project and met the basic requirements of the tender/contract. The standard of work was good enough, passable or adequate in terms of the requirements by the ALM.
- **Excellent** - The Contractor/Service Provider has completed the work up to the expected standard required. The requirements of the tender were achieved to the expectation of the municipality. There is a high quality of work and outstanding results were achieved.

Below is the performance rating of the municipality's service providers;

No	Bid No	Name of Service Provider	Project Name	Rating	Comment
1	SCM/32/2019-20	C-Track Mzansi	Extension of appointment-Provision of Fleet Management, Vehicle Monitoring & Tracking System For a Period of 3 years	Acceptable	Project is proceeding well
2	ALM/SCM/3-4/2020-21	Revco	Provision of debt collection Services	Acceptable	Project is proceeding well
3	SCM/11/2019-20	First Rand Bank Limited	Banking Services	Acceptable	Project is proceeding well
4	ALM/SCM/01/2021-22	Taleni Godi Kupiso inc	Provision of Legal Services for a period of three (03) years	Acceptable	Project is proceeding well

No	Bid No	Name of Service Provider	Project Name	Rating	Comment
5	ALM/SCM/01/2021-22	Mabece Tilane Inc	Provision of Legal Services for a period of three (03) years	Acceptable	Project is proceeding well
6	ALM/SCM/01/2021-22	Magqabi Seth Zitha Inc	Provision of Legal Services for a period of three (03) years	Acceptable	Project is proceeding well
7	ALM/SCM/16/2021-22	Xerox Eastern Cape	Extension of appointment: Leasing of photocopying machines	Acceptable	Project is proceeding well
8	ALM/SCM/17/2021-22	Black Mountain Consulting Engineers	Provision of professional Civil Engineering Services for a period of 36 months	Acceptable	Contract has expired, consultant is finishing the projects it was undertaking
9	ALM/SCM/17/2021-22	Beecon Holdings (Pty) Ltd	Provision of professional Civil Engineering Services for a period of 36 months	Acceptable	Contract has expired, consultant is finishing the projects it was undertaking
10	ALM/SCM/17/2021-22	Kukho Consulting Engineers	Provision of professional Civil Engineering Services for a period of 36 months	Acceptable	Contract has expired, consultant is finishing the projects it was undertaking
11	ALM/SCM/08/2022-23	Magidi revenue protection	Supply & Delivery of Electrical Metres for 36 months	Acceptable	Project is proceeding well
12	ALM/SCM/27/2022-23	Lateral Unison Insurance Brokers	Provision of Insurance service for Municipal Assets for a period of 3 years	Excellent	Project is proceeding well
13	ALM/SCM/28/2022-23	Vitsha Trading	Construction of Keiskammahoek Multi-Recreational Centre	Acceptable	Project is proceeding well
14	ALM/SCM/30/2022-23	Utilities World (Pty) Ltd	Provision of prepaid vending solution for a period of three (03) years	Acceptable	Project is proceeding well
15	ALM/SCM/33/2022-23	Metro Computer Services (Pty) Ltd	Supply, Delivery & Installation of Laptops	Acceptable	Project is proceeding well
16	ALM/SCM/36/2022-23	CCG Systems (Pty) Ltd	Provision of Maintenance, Support, Licensing & upgrade of sage evolution financial system for a period of 3 years	Acceptable	Project is proceeding well

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No	Bid No	Name of Service Provider	Project Name	Rating	Comment
17	ALM/SCM/47/2022-23	Black Mountain Consulting Engineers	Panel of three professional Electrical Engineering Services for a period of three years	Acceptable	Project is proceeding well
18	ALM/SCM/47/2022-23	Bigen Africa Services (Pty) Ltd	Panel of three professional Electrical Engineering Services for a period of three years	Acceptable	Project is proceeding well
19	ALM/SCM/47/2022-23	ASCA Consulting t/a Vokon Afrika Consulting	Panel of three professional Electrical Engineering Services for a period of three years	Acceptable	No projects were assigned to them in the last three quarters
20	ALM/SCM/35/2022-23	Riley Auctions Africa t/a Riley Auctioneers	Provision of Auctioneering Services for the Disposal of ALM sites	Acceptable	Project is proceeding well
21	ALM/SCM/49/2022-23	Mikuwo Construction	Panel of three Service Providers for Cherry Picker and Crane Truck hire for three (03) years	Acceptable	Project is proceeding well
22	ALM/SCM/04/2023-24	Jemic Motors cc	Panel of three Service providers for provision of fleet maintenance services for a period of three (03) years	Acceptable	No projects were assigned to them during this quarter
23	ALM/SCM/05/2021-22	Mikuwo Construction	Panel of three service providers for a plant hire for a 36 month period for Amahlathi Local Municipality	Acceptable	Project is proceeding well
24	ALM/SCM/05/2021-22	Lunika Investments (Pty) Ltd	Panel of three service providers for a plant hire for a 36 month period for Amahlathi Local Municipality	Acceptable	No projects were assigned to them during this quarter
25	ALM/SCM/05/2021-22	Express Builders cc	Panel of three service providers for a plant hire for a 36-month period for Amahlathi Local Municipality	Acceptable	Project is proceeding well
26	ALM/SCM/05/2021-22	A 2 A Kopano Incorporated	Update & Maintenance of GRAP-Compliant fixed Asset Register	Acceptable	Project is proceeding well
27	ALM/SCM/47/2023-24	XL Aloe Travel	Panel of Service providers for the provision of Travelling Agency Services for a period of three (03) years	Acceptable	Project is proceeding well
28	ALM/SCM/47/2023-24	City of Choice Travel	Panel of Service providers for the provision of Travelling Agency Services for a period of three (03) years	Acceptable	Project is proceeding well

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No	Bid No	Name of Service Provider	Project Name	Rating	Comment
29	ALM/SCM/25/2023-24	Civ-Con Projects	Panel of five contractors for the construction of unpaved roads & Associated storm-water structures for a period of one year	Acceptable	Project is proceeding well
30	ALM/SCM/25/2023-24	MVI Construction	Panel of five contractors for the construction of unpaved roads & Associated storm-water structures for a period of one year	Acceptable	Project is proceeding well
31	ALM/SCM/03/2023-24	Lunika Investments	Construction of Xholorha Internal Roads	Acceptable	Project is proceeding well
32	ALM/SCM/42/2023-24	Abantu Environmental Consulting	Waste Management license application for the closure & Rehabilitation of Cathcart Landfill site	Acceptable	Project is proceeding well
33	RT15-2021	Mobile Telephone Networks (Pty) Ltd (MTN)	Provision of voice over internet protocol (VOIP) soft calling/cloud hosted PBX system services for ALM for a period of 24 months	Acceptable	Project is proceeding well
34	ALM/SCM/46/2023-24	Penny Lindstrom Valuations cc	Compilation of valuation roll & Supplementary valuation roll for a period 2025-2030	Acceptable	Project is proceeding well
35	ALM/SCM/05/2024-25	Sizisa Ukhanyo Trading 184 cc	Installation of Burglars, Tinting of windows, and Installation of Air-conditions to Mzwandile Fanti Recreational Centre	Below standard	Project has been terminated
36	ALM/SCM/03/2024-25	Hello, World Systems,	Website Hosting, upgrade and the Maintenance of the ALM website for a 12-month period	Acceptable	Project is proceeding well
37	ALM/SCM/44/2023-24	ZKS and Nam General Trading	Construction of Mlungisi Sports field phase 3	Acceptable	Project is proceeding well
38	ALM/SCM/45/2023-24	Abram Mashego Construction & Maintenance Works jv PJA General Trading	Construction of Amahlathi Municipal Offices	Acceptable	Project is proceeding well
39	ALM/SCM/22/2023-24	Guqaa (Pty) Ltd	Fencing of Stutterheim Landfill site & Refurbishment of Recycling Facility	Acceptable	Project is proceeding well
40	ALM/SCM/25/2023-24	Civ-Con Projects	Construction of Roads and Stormwater Structures at Cenyulands Village Road	Acceptable	Project is proceeding well

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No	Bid No	Name of Service Provider	Project Name	Rating	Comment
41	ALM/SCM/25/2023-24	MVI Construction	Construction of unpaved roads and associated storm-water structures for Phumlani Village, Bumbane & Kom Internal Road in Keiskammahoek (Ward 2)	Acceptable	Project is proceeding well
42	ALM/SCM/11/2024-25	Leko Engineering Consultants	Provision of professional Civil engineering Services for the design and construction supervision on the Construction of Keiskammahoek roads under the small-town revitalization programme	Acceptable	Project is proceeding well
43	ALM/SCM/12/2024-25	Leko Engineering Consultants	Provision of professional Civil engineering Services for the design and construction supervision on the Construction of Stutterheim roads under the small-town revitalization programme	Acceptable	Project is proceeding well
44	ALM/SCM/06/2024-25	Yande Engineering & Projects	Provision of professional electrical engineering services for the design and construction supervision of the streetlights and high mast lights in keiskammahoek under the small-town revitalization programme	Acceptable	Project is proceeding well
45	ALM/SCM/23/2024-25	Qamis Trading Enterprise cc	Supply and Delivery of Traffic uniform for 2024-25 financial year.	Acceptable	Project is proceeding well
46	ALM/SCM/07/2024-25	SNR Electrical cc	Appointment of Electrical service provider for energy efficiency and demand side management	Acceptable	Project is proceeding well
47	ALM/SCM/01/2024-25	CAB Holdings (Pty) Ltd	Provision of Customer Accounts printing & Distribution Services for a period of 3 years	Acceptable	Project is proceeding well
48	ALM/SCM/18/2024-25	Vuxaka Consulting Engineers	Provision of professional services for the construction of Ngqeqe Roads and Storm-water structures	Acceptable	Project is proceeding well
49	ALM/SCM/16/2024-25	Vuxaka Consulting Engineers	Provision of professional services for the construction of Izidenge Roads and Storm-water structures	Acceptable	Project is proceeding well

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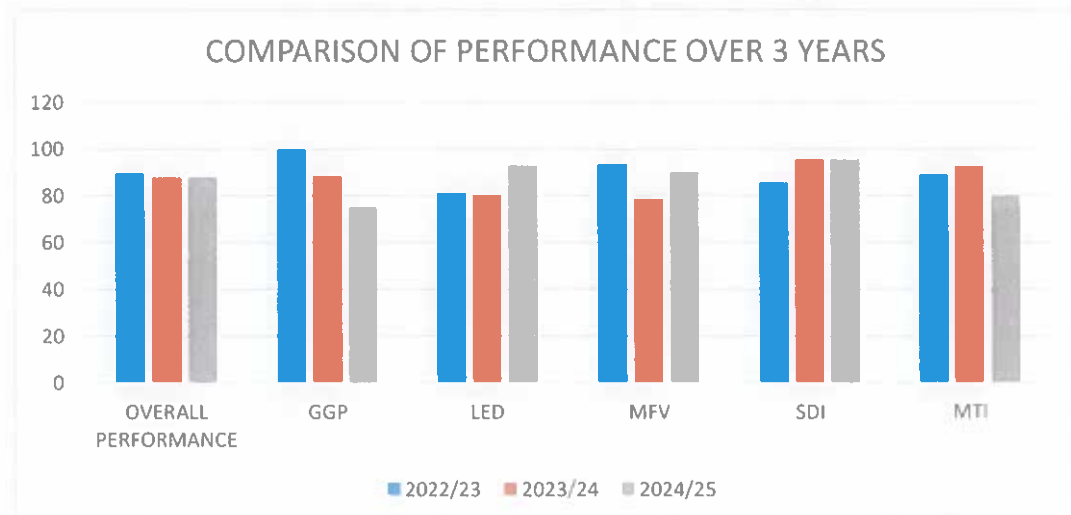
No	Bid No	Name of Service Provider	Project Name	Rating	Comment
50	ALM/SCM/19/2024-25	Kufanikiwa Consulting Engineers (Pty) Ltd	Provision of professional civil Engineering Services for the Construction of Phumlani Community Hall	Acceptable	Project is proceeding well
51	ALM/SCM/28/2024-25	Dabini Hiring Services	Hiring & Servicing of Mobile Toilets for a period of 4 months	Acceptable	Project is proceeding well
52	ALM/SCM/40/2024-25	A&C Cosmic Solutions	Renewal of Cibecs endpoint data protection licences by a cibecs partner for Amahlathi Local Municipality for a twelve-month period	Acceptable	Service provider recently appointed
53	ALM/SCM/29/2024-25	Nkiseng Solutions (Pty) Ltd	Supply and Delivery of pruning equipment for Community Services	Acceptable	Service provider recently appointed

INSTITUTIONAL PERFORMANCE						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
SDI	44	0	44	42	2	95,45
MFV	10	0	10	9	1	90,00
GGP	24	0	24	18	6	75,00
LED	14	0	14	13	1	92,86
MTI	15	0	15	12	3	80,00
Overall Performance	107	0	107	94	13	87,85

7.1 COMPARISONS OF PERFORMANCE OVER 3 FINANCIAL YEARS

KEY PERFORMANCE AREA	2022/23	2023/24	2024/25
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	100%	88.24%	75,00
LOCAL ECONOMIC DEVELOPMENT	81.25%	80.00%	92,86
MUNICIPAL FINANCIAL VIABILITY	93.75%	78.57%	90,00
SERVICE DELIVERY AND INSTITUTIONAL DEVELOPMENT	85.71%	95.65%	95,45
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	88.89%	92.31%	80,00
OVERALL PERFORMANCE	89.69%	87.80%	87,85

GRAPHICAL PRESENTATION OF ORGANIZATIONAL PERFORMANCE



3. DEPARTMENTAL PERFORMANCE

The percentages depicted on the table below are only calculated according to the targets met and does not quantify any allocation of performance bonuses. The Core Competency Requirements (CCR's) are not included as the municipality is reflecting departmental performance based on service delivery only.

ENGINEERING SERVICES						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
SDI	33	0	33	31	2	93,94
MFV	1	0	1	1	0	100,00
GGP	2	0	2	1	1	50,00
LED	2	0	2	2	0	100,00
MTI	1	0	1	0	1	0,00
Overall Performance	39	0	39	35	4	89,74

COMMUNITY SERVICES						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
SDI	8	0	8	8	0	100,00
MFV	1	0	1	1	0	100,00
GGP	2	0	2	2	0	100,00
LED	1	0	1	1	0	100,00
Overall Performance	12	0	12	12	0	100,00

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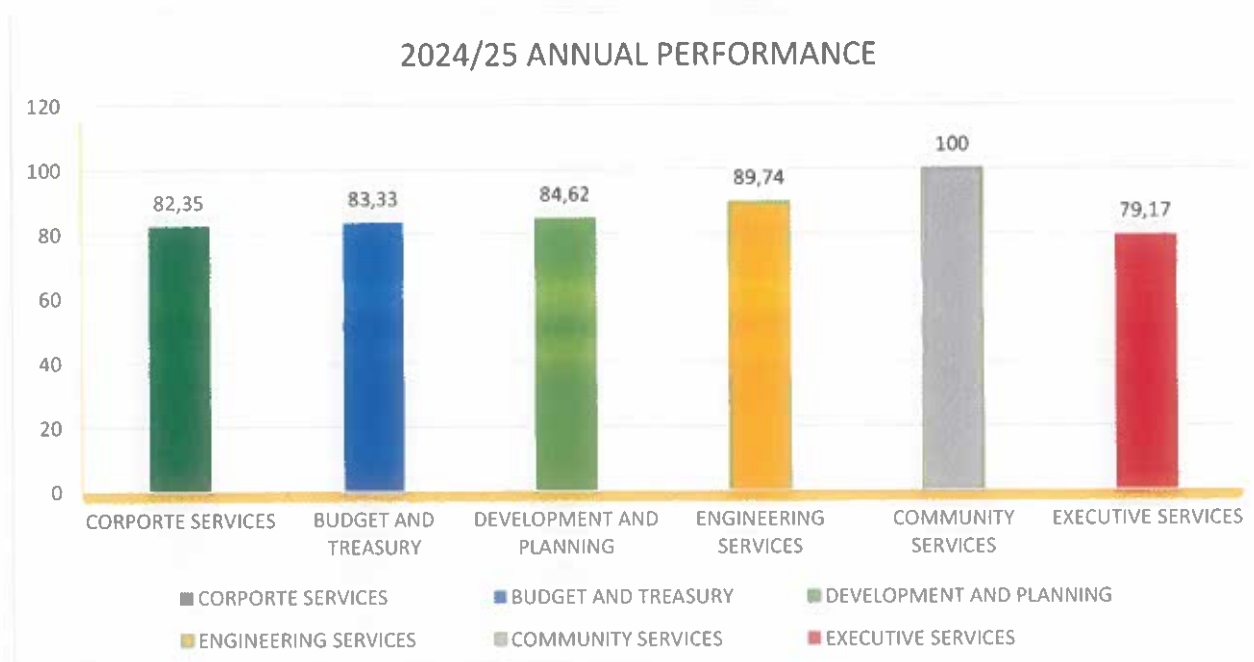
BUDGET AND TREASURY						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
MFV	7	0	7	6	1	85,71
GGP	4	0	4	4	0	100,00
LED	1	0	1	1	0	100,00
Overall Performance	12	0	12	11	1	91,67

EXECUTIVE SERVICES						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
SDI	1	0	1	1	0	100,00
MFV	1	0	1	1	0	100,00
GGP	19	0	19	14	5	73,68
LED	1	0	1	1	0	100,00
MTI	2	0	2	2	0	100,00
Overall Performance	24	0	24	19	5	79,17

PLANNING AND DEVELOPMENT						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
SDI	2	0	2	2	0	100,00
LED	9	0	9	8	1	88,89
GGP	2	0	2	1	1	50,00
Overall Performance	13	0	13	11	2	84,62

CORPORATE SERVICES						
KPA	Total targets	N/A Targets	Targets for the period	Met	Not Met	APR 2024/25
GGP	5	0	5	4	1	80,00
MTI	12	0	12	10	2	83,33
Overall Performance	17	0	17	14	3	82,35

Graphical Presentation



In 2024/25 financial year the performance of Amahlathi Local Municipality reflects a performance rate of 87.85%. Financial Constraints, slow progress on appointed contractor, under collection were amongst challenges which could have led to more improvement on institutional performance. The departments should also ensure that the information provided is reviewed by the head of departments to ensure credibility and accuracy. In terms of departmental performance, Community Services have been consistently maintaining 100% achievement of its set targets, great improvement has been observed on Budget and Treasury Office and Development and Planning Departments. Decline in performance of Executive Services of about 1% and Corporate Services about 11.77%. A total of 13 targets have not been achieved by the municipality with only two service delivery (paving of Xhologha Internal Roads, Installation of smart meters which had to be stopped due to the smart meter grant received

3.8 DETAILED 2024/25 PERFORMANCE RESULTS PRESENTED PER KEY PERFORMANCE AREA (KPA)

11.1 KPA 1: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (SDI (Weight 40))

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
Output 2: Improving access to Basic Services	"To ensure provision of a sustainable road network and public infrastructure within Amahlathi LM by 2027."	Maintenance and upgrading of the Municipal Road Network Servicing the Amahlathi Local Municipal Area.	% progress achieved on the surfacing (paving) of Xholorha Main Road	100% progress achieved on the paving of 2,3km at Xhologha Township	Target met 1 tender document for Xhologha internal roads compiled and submitted to SCM	Target not met 90% progress achieved on the paving of 2,3 kilometers at Xhologha Township. Variance report written KPI 3. Please amend the report	Unforeseen additional scope of work to cater for storm water drainage. Variation order was submitted and approved for additional storm water pipes to accommodate the increased storm water run-off. 100% progress on construction of Xhologha road will be in first quarter of 2025/26.	Director: Engineering Services	1.1.1
						100% progress achieved on the rehabilitation of 3.9km of Mandlakapheli Village Road.	N/A	Director: Engineering Services	1.1.2

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
				Mandiakapheli Village Road.		100% of road works completed in Mandiakapheli Village Road.			
			% progress achieved on the rehabilitation of Langdraai Village Road.	100% progress achieved on the rehabilitation of 2.1km Langdraai Village Road.	New target – Disaster grant	Target of 100% achieved on the rehabilitation of 2.1km of Langdraai Village Road.	N/A	Director: Engineering Services	1.1.3
			% progress achieved on the rehabilitation of Sutterheim Landfill Site Road	100% progress achieved on the rehabilitation of 2km road culvert reconstruction of Sutterheim landfill site road	New target – Disaster grant	Target of 100% achieved on the rehabilitation of 2km road culvert reconstruction of Sutterheim landfill site road	N/A	Director: Engineering Services	1.1.4
			% progress achieved on the rehabilitation of Upper to Lower Ngqumeya road in Keiskammahoek	100% progress achieved on the rehabilitation of 3.6km Upper to Lower Ngqumeya road in Keiskammahoek	New target – Disaster grant	Target of 100% achieved on the rehabilitation of 3.6km Upper to Lower Ngqumeya road in Keiskammahoek	N/A	Director: Engineering Services	1.1.5

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
						100% progress achieved on the rehabilitation of 2.4km of Tshoxa road in Keiskammahoek			
			% progress on the rehabilitation of Tshoxa road in Keiskammahoek	100% progress achieved on the rehabilitation of 2.4km of Tshoxa road in Keiskammahoek	New target – Disaster grant	100% progress achieved on the rehabilitation of 2.4km of Tshoxa road in Keiskammahoek	N/A	Director: Engineering Services	1.1.6
						100% progress achieved on the rehabilitation of 7km of Area 5 to Mahanjane in Kubusie in Stutterheim			
			% progress achieved on the rehabilitation of Kubusie road in Stutterheim	100% progress achieved on the rehabilitation of 7km of Area 5 to Mahanjane in Kubusie in Stutterheim	New target – Disaster grant	100% progress achieved on the rehabilitation of 7km of Area 5 to Mahanjane in Kubusie in Stutterheim	N/A	Director: Engineering Services	1.1.7
			% progress achieved on the rehabilitation of Mahanjane to Ohlson farm road in Stutterheim	100% progress achieved on the rehabilitation of 3km of Ohlson farm road in Stutterheim	New target – Disaster grant	100% progress achieved on the rehabilitation of 3km of Ohlson farm road in Stutterheim	N/A	Director: Engineering Services	1.1.8

Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			% progress on the reconstruction of Bridge between Rhawini and Bongweni	100% progress on the construction of Bridge between Rhawini and Bongweni	New target – Disaster grant	Target: 100% progress on the reconstruction of Bridge between Rhawini and Bongweni	N/A	Director: Engineering Services	1.1.9
			% progress achieved on the rehabilitation of Amabele Road in Stutterheim	100% progress achieved on the rehabilitation of 1km of Amabele Road in Stutterheim	New target – Disaster grant	Target: 100% progress on the rehabilitation of 1km of Amabele Road in Stutterheim	N/A	Director: Engineering Services	1.1.10
			% progress on the rehabilitation of Stanhope to Jerseyvale Road in Stutterheim	100% progress achieved on the rehabilitation of 2km of Stanhope to Jersey vale Road in Stutterheim	New target – Disaster grant	Target: 100% progress on the rehabilitation of 2km of Stanhope to Jerseyvale Road in Stutterheim	N/A	Director: Engineering Services	1.1.11

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Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			% progress achieved on the rehabilitation of Gasela Road in Stutterheim	100% progress achieved on the rehabilitation of 1km of Gasela Road in Stutterheim	New target – Disaster grant	Target – 100% progress achieved on the rehabilitation of 1km of Gasela Road in Stutterheim	N/A	Director: Engineering Services	1.1.12
			% progress on the rehabilitation of township roads in Stutterheim	100% progress achieved on the rehabilitation of 3.6km of township roads in Stutterheim	New target – Disaster grant	Target – 100% progress achieved on the rehabilitation of 3.6km of township roads in Stutterheim	N/A	Director: Engineering Services	1.1.13
			% progress achieved on the rehabilitation of Village Roads in Stutterheim	100% progress achieved on the rehabilitation of 7.7km of Village Roads in Stutterheim	New target – Disaster grant	Target – 100% progress achieved on the rehabilitation of 7.7km of Village Roads in Stutterheim	N/A	Director: Engineering Services	1.1.14
			% progress achieved on the rehabilitation of Emagcumeni Road in ward 10	100% progress achieved on the rehabilitation of 750m of Emagcumeni Road in ward 10	New target – Disaster grant	Target – 100% progress achieved on the rehabilitation of 750m of Emagcumeni Road in ward 10	N/A	Director: Engineering Services	1.1.15

Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
				Road in ward 10		Target: 100% progress achieved on the rehabilitation of 3,98km Road between Peer to Nxawe & Matsa in Ethembeni (ward 7)			
			% progress achieved on the rehabilitation of Road between Peer to Nxawe & Matsa in Ethembeni (ward 7)	100% progress achieved on the rehabilitation of 3,98km Road between Peer to Nxawe & Matsa in Ethembeni (ward 7)	New target – Disaster grant	Target: 100% progress achieved on the rehabilitation of 3,98km Road between Peer to Nxawe & Matsa in Ethembeni (ward 7)	N/A	Director: Engineering Services	1.1.16
			% progress achieved on the rehabilitation of Goshen Road in Cathcart	100% progress achieved on the rehabilitation of 2km Goshen Road in Cathcart	New target – Disaster grant	Target: 100% progress achieved on the rehabilitation of 2km Goshen Road in Cathcart	N/A	Director: Engineering Services	1.1.17
			% progress achieved on the rehabilitation of Sophumelela Roads in Keiskammahoek	100% progress achieved on the rehabilitation of 2km roads of Sophumelela Roads in Keiskammahoek	New target – Disaster grant	Target: 100% progress achieved on the rehabilitation of 2km roads of Sophumelela Roads in Keiskammahoek	N/A	Director: Engineering Services	1.1.18

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Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			% progress achieved on the rehabilitation of village Roads in Keiskammahoek	100% progress achieved on the rehabilitation of 1.5km Ngxondorheni village Roads in Keiskammahoek	New target – Disaster grant	Target and 100% progress achieved on the rehabilitation of 1.5km Ngxondorheni village Roads in Keiskammahoek	N/A	Director: Engineering Services	1.1.19
			% progress achieved on the rehabilitation of Phumulani village Roads in Keiskammahoek	100% progress achieved on the rehabilitation of 1.5km Phumulani village Roads in Keiskammahoek	New target – Disaster grant	Target and 100% progress achieved on the rehabilitation of 1.5km Phumulani village Roads in Keiskammahoek	N/A	Director: Engineering Services	1.1.20
			% progress achieved on the rehabilitation of Bumbani village Roads in Keiskammahoek	100% progress achieved on the rehabilitation of 1.5km Bumbani village Roads in Keiskammahoek	New target – Disaster grant	Target and 100% progress achieved on the rehabilitation of 1.5km Bumbani village Roads in Keiskammahoek	N/A	Director: Engineering Services	1.1.21

Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			% progress achieved on the rehabilitation of Kom village Roads in Keiskammahoek	100% progress achieved on the rehabilitation of 1km Kom village Roads in Keiskammahoek	New target – Disaster grant	100% progress achieved on the rehabilitation of 1km Kom village Roads in Keiskammahoek	N/A	Director: Engineering Services	1.1.22
			% progress on pre-engineering work on the rehabilitation of Stutterheim Roads under the STR grant	100% progress achieved on the pre-engineering work on the rehabilitation of Stutterheim Roads under the STR grant	New target on Small town regeneration grant	100% progress achieved on the pre-engineering work on the rehabilitation of Stutterheim Roads under the STR grant	N/A	Director: Engineering Services	1.1.23
			% progress on pre-engineering work on the rehabilitation of Keiskammahoek Roads under the STR grant	100% progress achieved on the pre-engineering work on the rehabilitation of Keiskammahoek Roads under the STR grant	New target on Small town regeneration grant	100% progress achieved on the pre-engineering work on the rehabilitation of Keiskammahoek Roads under the STR grant	N/A	Director: Engineering Services	1.1.24

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	To ensure sustainable supply of electricity by developing new infrastructure while upgrading and maintaining existing networks by 2027.	Improve electricity infrastructure and reduce losses	No of reports on implementation of capital projects	4 reports on implementation of capital projects	Target met 4 reports on implementation of Capital projects submitted	Target met 4 reports on implementation of Capital projects submitted	N/A	Municipal Manager	1,1,25
					Target met 439 meters electricity installed	Target met 155 meters electricity installed			
					200 meters electricity installed	Target met 155 meters electricity installed			
							The municipality is participating in the RT29 Smart meter grant project, under which a service provider has been appointed to install smart meters in Amahlathi. Phase one of the project, which include audits, has been completed. Phase two involves the physical	Director: Engineering Services	1.2.1

Outcome 9: Respon sive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodia n	KPI NO
							installation of the smart meters. Installation of smart meters in Amahlathi will proceed under the RT29 contract, which is valid for a three-year period. However, all installations are scheduled to be completed by December 2025		
			%progress on the upgrade of streetlights and high mast lights	100% progress on the upgrade of streetlights and high mast lights	New target		N/A	Director: Engineering Services	1.2.2
			%progress on pre-engineering works-11kV Main Intake SwS upgrade phase 2	100%progress on pre-engineering works-11kV Main Intake SwS upgrade phase 2	New target		N/A	Director: Engineering Services	1.2.3

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Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
						2024/25 Upgrade Phase 2			
			% progress on pre-engineering works-3.5MVA 22/11kV Cathcart Substation upgrade phase 2	100% progress on pre-engineering works-3.5MVA 22/11kV Cathcart Substation upgrade phase 2	New Target	Target not achieved on pre-engineering works-3.5MVA 22/11kV Cathcart Substation upgrade phase 2	N/A	Director: Engineering Services	1.2.4
			% progress on pre-engineering work on the Upgrading of 11kv line and Street Lights in Stutterheim under the STR grant	100% progress achieved on the pre-engineering work on the Upgrading of 11kv line and Street Lights in Stutterheim under the STR grant	New Target	Target not achieved on pre-engineering work on the Upgrading of 11kv line and Street Lights in Stutterheim under the STR grant	N/A	Director: Engineering Services	1.2.5
						2024/25 Upgrade Phase 2			
			% progress on pre-engineering work on the upgrading of High Mast and Street Lights in Keiskammahoek	100% progress achieved on the pre-engineering work on the upgrading of High Mast and Street Lights in Keiskammahoek	New Target	Target not achieved on pre-engineering work on the upgrading of High Mast and Street Lights in Keiskammahoek	N/A	Director: Engineering Services	1.2.6

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	To promote and safety security in the municipality by 2027		under the STR grant.	under the STR grant		Target met 100% of the grant was used for the STR grant			
		Implementation of the Community Safety Plan	Number of progress reports on reported disaster incidents submitted to Development and Planning	4 Progress reports on reported disaster incidents.	Target met 4 Progress reports on reported disaster incidents	Target met 4 Progress reports on reported disaster incidents	N/A	Director: Community Services	1,3,1
		Implementation of the Integrated Fire Management Plan	No. of fire awareness campaigns conducted	08 Fire Awareness Campaigns conducted	Target met 13 fire awareness campaign conducted	Target met 13 Fire Awareness Campaigns conducted	N/A	Director: Community Services	1,3,2
		Conduct roadblocks	No. of roadblocks conducted	40 roadblocks conducted	Target met 41 roadblocks conducted	Target met 41 roadblocks conducted	N/A	Director: Community Services	1,3,3
		Provision of road marking and signage	No. of paintable streets with faded road markings painted	15 paintable streets with faded road markings painted	Target met 15 paintable streets with faded road markings painted	Target met 15 paintable streets with faded road markings painted	N/A	Director: Community Services	1,3,4

Outcome 9: Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	To ensure provision of sustainable public facilities by 2027	Facilitate maintenance and upgrade of sport, community halls, hawker stalls, cemeteries and recreational facilities	% progress towards construction of Keiskammahoek Recreation Centre	100% progress achieved on the construction of the Keiskammahoek Recreation Centre	Target not met 46 progresses towards construction of Stutterheim Recreation Centre	Target not met 100% progress achieved on the construction of the Keiskammahoek Recreation Centre	N/A	Director: Engineering Services	1.4.1
			% progress towards construction of Mbaxa Community Hall	100% progress on construction of Mbaxa Community Hall	Target not met 50% progress towards construction of Mbaxa Community hall achieved	Target not met 100% progress towards construction of Mbaxa Community hall achieved	N/A	Director: Engineering Services	1.4.2
			% Progress on upgrades of sport facilities(Mlungisi i)	100% Progress on upgrading of Mlungisi Sports field	Target met 1 partially completed sites with no contractors on sites provided with security services (Mlungisi Sport Field)	Target not met 100% progress achieved on the upgrading of Mlungisi Sports field	N/A	Director: Engineering Services	1.4.3
			No. of library awareness	08 library awareness campaigns	Target met 12 Library awareness's	Target not met 100% progress achieved on the upgrading of Mlungisi Sports field	N/A	Director: Community Services	1.5,1

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	effective use of library resources	culture reading and effective use of library resource	campaigns conducted	conducted library awareness campaigns	campaigns conducted	campaigns conducted			
	Ensure that solid waste is managed in an Integrated environmentally friendly and sustainable manner	Review and Implement the Integrated Waste Management plan	Number of Reports on solid waste programmes implemented by June 2025	4 reports on solid waste programmes implemented by June 2024 (street cleaning , waste collection and disposal)	Target met 4 reports on solid waste programmes implemented by June 2024 (street cleaning , waste collection and disposal)	Target met 4 reports on solid waste programmes implemented by June 2024 (street cleaning , waste collection and disposal)	N/A	Director: Community Services	1,6,1
		Conduct waste management campaigns	No of waste awareness campaigns conducted per cluster	4 waste awareness campaigns conducted	Target met 13 Waste awareness campaign conducted.	Target met 13 waste awareness campaigns conducted	N/A	Director: Community Services	1,6,2
	To facilitate a balanced spatial development form for the Municipality	Finalize and Implement the Spatial Development Framework (SDF)	Number of Land Use Reports on compliance to the municipal SDF	4 Quarterly reports submitted on Land Use Applications	Target met 4 reports on compliance submitted	Target met 4 quarterly reports submitted	N/A	Director Development and Planning	1,7,1
		Implementation of Forestry Strategy	No of quarterly reports on municipal forestry	4 progress reports on municipal forestry	Target met 1 progress report on municipal	Target met 1 progress report on municipal	N/A	Director: Community Services	1,7,2

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	To facilitate access to housing relief	To monitor the progress and implementation on housing applications submitted to Department of Human Settlements	management signed by MM	management signed by MM	forestry management signed by MM	forestry management signed by MM			
					Target met 4 reports on housing implementation status submitted to Standing Committee	Target met 4 reports on housing implementation status submitted to Standing Committee	N/A	Director Development and Planning	1,8,1

11.2 KPA 2 MUNICIPAL FINANCE VIABILITY (MFV) – (WEIGHT – 15)

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
Output 6: Administrative and Financial Capacity	To continuously ensure an equitable, economical, transparent, fair and value – add supply chain management system/function	Strict adherence to SCM Regulations	No. of quarterly reports (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after the end of the quarter	4 quarterly reports (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after the end of the quarter	Target met 4 quarterly reports (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after end of the quarter	Target met 4 quarterly reports (tenders awarded, deviations report, contract management report) submitted to the Mayor by the 15th day after end of the quarter	N/A	Chief Financial Officer	2.1,1
	To maintain an accurate and complete fixed asset register that is compliant with GRAP by 2024	Maintain a fixed asset register that complies with GRAP	No. of material audit queries raised on the updated asset register by the AG.	Zero audit queries raised on the updated asset register by the AG.	Target not met 1 finding on calculation of depreciation.	Target not met 1 finding on calculation of depreciation.	N/A	Chief Financial Officer	2.2,1
	To ensure 100% expenditure of capital budget annually	Monitoring and reporting on the spending (MIG/INEP grants)	% expenditure of capital budget applied cumulatively	100% expenditure of capital budget applied cumulatively	Target met 100% MIG expenditure of capital budget applied cumulatively	Target met 100% MIG expenditure of capital budget applied cumulatively	N/A	Director . Engineering Services	2.3.1

	To improve collection of income due from consumer debtors annually.	Collect 90% of billed incom012e	% of billed income collected	85% of billed income collected	Target not met 64.36% of billed income collected	Target not met 60% of billed income collected	Government departments taking longer to verify accounts, By-passed meters and illegal connections, Areas that are supplied electricity by Eskom have a very low collection rate. Further engagement with government departments on reconciliation of accounts with the assistance of Cogta and Treasury. Installation of smart meters through the Smart Meter Grant to all our consumer will assist with the data of meters so that we can identify those	Chief Financial Officer	2,4,1
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							who have connected illegal. Treasury is engaging Eskom to assist municipalities in implementing credit control policies in areas supplied by Eskom.		
							N/A	Municipal Manager	2,4,2
							Target not met of 40% of revenue enhancement activities have been implemented		
							4 quarterly reports outlining achievements on implementation of Revenue Enhancement Strategy		
							Implementation of Revenue Enhancement Strategy		
							Implementation of Revenue Enhancement Strategy		
							Adherence to all applicable financial legislation and regulations		
							To ensure effective, compliant and credible financial planning, management and reporting by 2027.		
							No. of Monthly financial reports submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days to Mayor and Treasury)		
							Target met 12 Monthly financial report submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days		
							Target met 12 Monthly financial report submitted to Mayor and Treasury on the 10th working day of each month 4 sec 52 reports within 30 days		
							N/A	Chief Financial Officer	2,5,1

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	igned with department of transport	ubmitted to department of transport within 3 working days after the end of each week	ubmitted to department of transport within 3 working days after the end of each week	gistration to submitted to department of transport within 3 working days after the end of each week			
To prepare a realistic budget in line with the objectives and strategies in the IDP based on a three-year Medium-Term Revenue and Expenditure Framework (MTREF)	Coordinate and develop Amahlathi municipality's budget in line with developmental imperatives in the IDP	2024/2025 budget prepared and submitted to council for approval on by 31st May each year	2025/2026 budget prepared and submitted to council for approval by 31st May 2025	Target met 22024/2025 budget prepared and submitted to council for approval on the 23rd May 2024	N/A	Chief Financial Officer	2,6,1

11. 3 KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION (WEIGHT – 15)

Outcome Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
Output 5: Deepen democracy through a refined ward committee model.	To strengthen democracy through improved public participation.	Public Participation Action Plan	No. of reports analyzing public participation trends	4 reports analyzing public participation trends	Target met 100% Implementation of Public Participation achieved.	Target met 100% Implementation of Public Participation achieved.	N/A	Municipal Manager	3,1,1
			% Increase on social media following by the end of the financial year	10% Increase on social media following by the end of the financial year	New Indicator	Target met 100% Increase on social media following by the end of the financial year	N/A	Municipal Manager	3,1,2
			No. of quarterly petition Management status reports submitted to Council	4 Quarterly reports on the status of petitions received and submitted to Council	Target met 4 Quarterly reports on the status of petitions received and submitted to Council	Target met 4 Quarterly reports on the status of petitions received and submitted to Council	N/A	Municipal Manager	3,1,3
	To capacitate Satellite offices as one stop shops for service delivery by 2027.	Ensuring Cluster Wide Comprehensive Development	No. of Ward Based Service Delivery Plans	5 Ward Based Service Delivery Plans Developed	New Indicator	Target met 5 Ward Based Service Delivery Plans Developed	N/A	Municipal Manager	3,2,1

Outcome Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	To regularly coordinate provision of a comprehensive and integrated package of services by all spheres of government.	Strengthening of IGR structures	No. of IGR meetings Convened	4 IGR meetings Convened	Target met 4 IGR meetings convened 13/09/2024, 05/12/2023, 13/03/2024, 19/6/2024	Target met 4 IGR meetings convened	N/A	Municipal Manager	3.3.1
	To ensure a clean administration by 2027	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	2 quarterly risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	Target met 4 quarterly risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	Target met 4 quarterly risk management reports submitted by HODs to Internal Audit in preparation for Risk Committee Meeting	N/A	All HODs	3.4.1
			No. of risk management reports reflecting a total of 80% implementation of risk management action plans (actions due and actions overdue) submitted to the internal	2 Risk management reports reflecting a total of 80% implementation of risk management action plans (Actions due and Actions overdue) submitted to the internal	Risk Management Policy, 4 quarterly risk meetings convened in 2023/24	Target not met 3 HODs reports reflect percentage less than 80% in Quarter 3 and other in Quarter 4	Corporate Services-80% {Threshold is not met due to delay in appointment of fleet services provider as the tender is already closed for sitting of BAC.}	All HODs	3.4.2

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			Audit unit by HOD's in preparation for risk management committee meeting	Audit unit by HOD's in preparation for risk management committee meeting			Engineering { (Roads master plan could not be developed due to budget limitations; Engineering organogram review session was postponed due other municipal commitments; policy review was also postponed to April due to other municipal programs.)		
			Number of Risk committee meetings and 1 Strategic, operational and fraud risks assessments Co-ordinated 2024	4 Risk committee meetings and 1 Strategic, operational and fraud risks assessments Co-ordinated 2024/25	Target met 92.31% implementation of the 2023/2024 risk-based internal audit plan	Target met 92.31% implementation of the 2023/2024 risk-based internal audit plan	N/A	Municipal Manager	3,4,3

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			Number of Business Continuity plans developed during 2024/25 Financial year	1 Business continuity plan developed during 2024/25 Financial year	0	TARGET REMOVED	Target removed due to financial constraints	Municipal Manager	3,4,4
			Number of risks based internal audit assignments conducted in 2024/25 financial year	8 risk based internal audit assignments conducted in 2024/25 financial year	Target met 92.31% implementation of the 2023/2024 risk-based internal audit plan	Target not met	In ability to recover lost hours due to strike by employees leading to delayed submission of information to internal audit unit. The outstanding audits have been rolled forward to quarter 1 of 2025/26 financial year.	Municipal Manager	3,4,5
			Number of compliances based internal audit assignments conducted in	2 compliance risk based internal audit assignments conducted in	4 compliance risk based internal audit assignments conducted in	2 compliance risk based internal audit assignments conducted in	N/A	Municipal Manager	3,4,6

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25 financial year	Annual Actual 2023/24 financial year	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			2024/25 financial year	2024/25 financial year	2023/24 financial year	2024/25 financial year			
			Number of Institution-wide compliance registers developed in Amahlathi Local Municipality	1 Consolidated institutional compliance register submitted to Risk Management Committee for consideration	100% Implementation of compliance plan 2022/23	Target not met Consolidated institutional compliance register submitted to Risk Management Committee for consideration	N/A	Municipal Manager	3,4,7
			Number of follow up audit reports on implementation of AGSA Audit Action Plan and Internal Audit Follow up	3 follow up audit reports on implementation of AGSA Audit Action Plan and Internal Audit Follow up	3 follow up audit reports on implementation of AGSA Audit Action Plan and Internal Audit Follow up in 2023/24	Target not met 3 follow up reports on implementation of AGSA Audit Action Plan and Internal Audit Follow up in 2023/24	N/A	Municipal Manager	3,4,8
			Number of internal audit quality assurance reviews conducted	1 Final Internal Audit Quality Assurance Review Report by 30 June 2025	0	Target not met Provincial Treasury has been requested to perform quality assurance	After Internal Audit follow up in May 2025, Provincial Treasury requested additional information.	Municipal Manager	3,4,9

Outcome Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
						review of the internal audit function information has been submitted and the reviews in progress	This has since been submitted, therefore internal Audit is waiting for the results of the audit.		
			No. of Anti-corruption and Fraud programmes conducted per annum	2 Anti-corruption and Fraud programmes conducted by 30 June 2025	Target met 2 Anti-corruption and Fraud programmes conducted per annum	Target met 2 Anti-corruption and Fraud programmes conducted by 30 June 2025	N/A	Municipal Manager	3,4,10
			No. of audit committee meetings convened	4 audit committee meetings convened by 30 June 2025	Target met 4 audit committee meetings convened	Target met 4 audit committee meetings convened by 30 June 2025	N/A	Municipal Manager	3,4,11
			No. of reports on Implementation of developed governance compliance plan submitted to Risk Committee Meeting	4 reports on Implementation of developed governance compliance plan submitted to Risk Committee Meeting	Target not met	Target not met 1 report on Implementation of developed governance compliance plan submitted to Risk Committee Meeting	The 2nd quarter report was not prepared and submitted as the manager was on sick leave. Target revised during mid-year due	Municipal Manager	3,5,1
	Ensure effective & efficient resolution of legal matters	Develop of compliance register and compliance plan							

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
							to poor performance and register that had to be reviewed and target was assigned to Internal Audit		
		Develop litigation management Strategy	No. of reports on legal matters and their status with financial implications submitted to council	4 reports on legal matters and their status with financial implications and legal opinion presented to Council	Target met 4 reports on legal matters and their status with financial implications and legal opinion	Target not met 3 reports on legal matters and their status with financial implications and legal opinion presented to Council	The 2nd quarter report was not prepared and submitted as the manager was on sick leave. The municipality needs to appoint someone or intern to assist in the office when the manager is on leave.	Municipal Manager	3,5,2
	To ensure quality life through integrated welfare services for the children, youth, people	Development and Implementation of Strategy on Special Programs	No. of SPU Forums Established, Supported and Capacitated	7 SPU Forums Established and Capacitated	Target met 100% implementation of special programs action plan	Target not met 5 SPU Forums Established and Capacitated	Women forum was not resuscitated due to availability of budget required by the Women	Municipal Manager	3,6,1

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	disability, HIV and AIDS by 2027						Caucus to organize the review of the target group. New mechanism that will not require financial support will be implemented in 2025/26 financial year.		
	To ensure proactive and effective communication	Building and positioning the municipality brand	No. of newsletters developed and published on website and municipal facebook page	4 quarterly newsletters developed and published on website and municipal facebook page	Target met 100% implementation of Communications Program of Action	Target met 100% implementation of Communications Program of Action	N/A	Municipal Manager	3,7,1
	Strengthening Amahlathi ICT systems and networks for future generations by 2027	Improvement of ICT infrastructure for efficiency and data recovery	No of reports on the implementation of ICT infrastructure and Data Recovery	4 reports on the implementation of ICT infrastructure and Data Recovery	Target met 89.83% of information for municipal users backed up	Target met 89.83% of information for municipal users backed up	N/A	Director Corporate Services	3,8,1
	To ensure compliant, effective and efficient	Modernize the telephone system for	Turnaround time to attend to logged	3 working hours to attend to	Target met 1:12 min to attend to	Target met 1:12 min to attend to	N/A	Director Corporate Services	3,9,1

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
	customer management by 2027.	customer care and productivity improvement Implementation and monitoring of controls to ensure security of information and business continuity	faults by users	logged faults users	logged faults users	logged faults users			
			No. of reports on ICT systems implemented with itemized usage and expenditure reports submitted to standing committee	4 reports on ICT systems implemented with itemized usage and expenditure reports submitted to standing committee	Target met 7 Sourced and costed ICT system projects (1.Cibecs & Server Hosting submitted)	Target met 8 reports on ICT system implemented projects submitted to standing committee	N/A	Director Corporate Services	3,9,2
		Provide on-going support to users on system related queries	% of reported system related queries resolved	95% of reported system related queries resolved	Target met	Target met 100% of reported system related queries resolved	N/A	Chief Financial Officer	3,9,3
	To ensure business continuity in the event of a disaster by 2022 and beyond	Implementation and monitoring of controls to ensure security of information and business continuity	Daily backups on Financial system, Payroll and HR system	Daily backups done on Financial system, Payroll and HR system	Report on Daily backups cannot be verifiable if performed from the 01st May until the 12th May 2024.	Target met Daily backups done on Financial system Payroll and HR system	N/A	Chief Financial Officer	3,10,1

11.4 KPA 4: LOCAL ECONOMIC DEVELOPMENT (LED) – (Weight – 15)

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25s	Comment and Corrective Action	Custodian	KPI NO
Output No 3: Implementation of Community Work Programmes	To improve implementation of the government intervention programme to eliminate poverty by 2027	Implementation of the EPWP and municipal job creation programme especially linked to areas of scarce skills and temporal local jobs created during the roll out of capital projects	No. of temporal work Opportunities created	357 Work Opportunities created	Target met 405 temporal work Opportunities created	Target met 405 temporal work Opportunities created	N/A	Director: Engineering Services	4.1.1
		Subcontracting of the work to SMMEs residing at Amahlathi LM during the roll out of Capital Projects	No. of Sub-contract agreements signed by the main contractor and sub-contractor	4 Sub-contract agreements signed by the main contractor and sub-contractor	Target met Sub-contract agreements signed by the main contractor and sub-contractor as follows	Target met Sub-contract agreements signed by the main contractor and sub-contractor as follows	N/A	Director: Engineering Services	4.1.2

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25s	Comment and Corrective Action	Custodian	KPI NO
	To ensure holistic and economic growth and development by 2027	Support and development of SMMEs around Amahlathi Local Municipality.	% of Amahlathi procurement expenditure should benefit SMMEs	30% of Amahlathi procurement expenditure should benefit SMMEs (Average % of the 4 quarters)	Target met 31% of Amahlathi procurement expenditure benefited by SMMEs	Target not met 20% of Amahlathi procurement expenditure benefited by SMMEs	N/A	Chief Financial Officer	4.2,1
			No. of SMMEs supported to access government Support Programs	50 SMMEs supported to access government Support Programs	Target met 152 SMMEs supported through various Programmes	40 SMMEs supported through various government Programmes	N/A	Director: Development and Planning	4.2,2
			No. of businesses issued with new trading permits	50 businesses issued with new trading permits	Target not met 16.4% of business with trading permits	Target met 130 businesses issued with new trading permits	N/A	Director: Development and Planning	4.2,3
			No. of businesses that renewed their trading permits	72 businesses renewed their trading permits	New target	Target not met 48 businesses renewed their permits. Variance report attached	Constant change business ownership. Lack of law enforcement Officers to ensure businesses compliance	Director: Development and Planning	4.2,4

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25s	Comment and Corrective Action	Custodian	KPI NO
	Promotion of Tourism through identification of Tourist areas.						Municipal fleet challenges. Existence of Law enforcement officers to assist with compliance. To be implemented in the next financial year 2025/2026		
			No. of recycling initiatives undertaken	02 recycling initiatives undertaken	Target met 08 Recycling initiatives conducted.	Target met 08 Recycling initiatives conducted.	N/A	Director: Community Services	4.2.5
			No. of reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	Target met 4 reports on implementation of signed twinning agreements with strategic institutions	Target met 4 reports on implementation of signed twinning agreements with strategic institutions	N/A	Director: Development and Planning	4.2.6
		Strengthen relationship with other Strategic Partners	No. of reports on implementation of signed twinning agreements with strategic institutions	4 reports on implementation of signed twinning agreements with strategic institutions	Target met 4 reports on implementation of signed twinning agreements with strategic institutions	Target met 4 reports on implementation of signed twinning agreements with strategic institutions	N/A	Director: Development and Planning	4.2.6
		Finalize the tourism Infrastructure Improvement Process Plan	No. of tourist attractions promoted	8 tourist attractions promoted	Target not met 6 tourist attractions promoted	Target not met 6 tourist attractions promoted	N/A	Director: Development and Planning	4.3.1
			No. of trainings	3 support interventions	Target met	Target met	N/A	Director: Development	4.3.2

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25s	Comment and Corrective Action	Custodian	KPI NO
			conducted for both LTOs and CTOs combined	for both LTOs and CTOs combined	4 Support interventions for LTOs and CTOs Training	3 Support interventions for LTOs and CTOs Training		ent and Planning	
	To Stimulate local economy through Agricultural development by 2022	Provision of capacity building programs to support existing farmers	No. of farmers supported with capacity building	40 farmers to be supported with capacity building	83 Target met farmers supported with capacity building,	Target met 83 farmers supported with capacity building	N/A	Director: Development and Planning	4.4.1
	To ensure value-maximization of the forestry natural resource in line with local economic development by 2027.	Implementation of a forestry strategy in a Co-ordinated manner	Number of capacity building activities provided for timber cooperatives	6 capacity building activities provided for timber cooperatives	Target met 6 support interventions on timber cooperatives,	Target met 6 support interventions on timber cooperatives	N/A	Director: Development and Planning	4.5.1
	To ensure development of the economic infrastructure required to enable increased	Source funding for a catalytic project	No. of quarterly reports submitted on implementation of	4 quarterly reports on progress in implementation of catalytic projects	Target met 4 Funding applications submitted,	Target met 4 funding applications submitted, 1 catalytic project	N/A	Director: Development and Planning	4.6.1

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Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25s	Comment and Corrective Action	Custodian	KPI NO
	economic growth To building resilient smart towns		catalytic projects No. of Business Breakfast Coordinated	1 Business Breakfast Coordinated	Target met 2 Econ Target met 2 Economic Development Program Implemented omic Development Program Implemented.	Target met 1 Business Breakfast Coordinated 2 Econ Target met 2 Economic Development Program Implemented omic Development Program Implemented.	N/A	Municipal Manager	4,7,1

11. 5 KPA 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT – MTI (Weight – 15)

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
Output 1: Implement and differentiate approach to Municipal Finance, Planning and support	To attract, retain, build capacity, and maximize utilization of Amahlathi Human Capital by 2022 and beyond	Implementation of the approved organizational structure.	No of Implemented Re-Engineered and Council Approved organogram Action Plan Items	4 implemented Re-Engineered and Council Approved organogram Action Plan Items	Target met 323 Job Descriptions of completed 173 Job descriptions were completed during 3rd quarter and 150 completed Job Descriptions in quarter 4 which makes 323 Job description completed as planned (161 Q3 and 161 Q4)	Target not met. Amahlathi Job Descriptions were submitted to District Job Evaluation Committee however due to unavailability of the grading system they could not go through Provincial Grading Committee for confirmation	Contract of grading system expired and there is establishment of job catalogue. The distribution of Job Catalogue to municipalities is anticipated to commence by 01 August 2025.	Director: Corporate Services	5.1.1
						Target met. 4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and	N/A		
			No of implemented programmes per Human Resource Strategy implementation plans	4 implemented programmes per Human Resource Strategy implementation plans (Recruitment Plan; Institutional & HR Policies and	Target met 4 implemented programmes per Human Resource Strategy implementation plans 1. Training of policies-KKH	Target met. 4 implemented programmes per Human Resource Strategy implementation plans 1. Training of policies-KKH		Director: Corporate Services	5.1.2
						Target met. 4 implemented programmes per Human Resource Strategy implementation plans 1. Training of policies-KKH			

Outcome 9: A Strategic Responsive	Strategy	Key Performance Indicator	Annual 2024/25 Target	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			Employee Verification)	SATELLITE OFFICE(30-05-2024)	Indicators of EAP progress and Employee Verification			
	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of EAP programmes implemented as per approved plan	4 EAP programmes implemented per approved plan.	Target met 4 EAP programmes implemented per approved plan	Target met 4 EAP programmes implemented per approved plan	N/A	Director: Corporate Services	5.1.3
		No. of reports on health and productivity of the municipality	4 Reports on health and productivity of the municipality	Target met 4 Reports on health and productivity of the municipality	Target met 4 Reports on health and productivity of the municipality	N/A	Director: Corporate Services	5.1.4
		Number of programs implemented to improve staff morale	1 program implemented to improve staff morale	New Indicator	Target met 1 program implemented to improve staff morale	N/A	Municipal Manager	5.1.5
	Implementation of the approved EEP	No. of quarterly reports prepared on compliance with EEP annual targets	4 quarterly reports prepared on compliance with EEP annual targets	Target met 4 quarterly reports prepared on compliance with EEP annual targets	Target met 4 quarterly reports prepared on compliance with EEP annual targets	N/A	Director: Corporate Services	5.1.6

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
Outcome 9: A Responsive	Promote sound Labor Relations for a conducive work environment through education and legislative compliance	Local Form (LLF) meetings and Labor Relations information sessions held	No of LLF meetings	4 LLF meetings	Target met 5 LLF meetings held as follows	Target met 5 LLF meetings held	N/A	Director: Corporate Services	5.2.1
			No of LR information sessions / training held	4 LR information sessions / held	Target met 4 LR information sessions / training held as follows;	Target met 4 LR information sessions / training held	N/A	Director: Corporate Services	5.2.2
			No of trainings organized for employees	8 trainings organized for employees	Target met 13 trainings organized for employees	Target met 13 trainings organized for employees	N/A	Director: Corporate Services	5.2.3
Outcome 9: A Responsive	Efficient and economical utilization of council resources	Strengthening systems and mechanisms relating to governance processes, risks management and internal controls	No. of reports on implementation of fleet management systems with logistics management, fuel utilization, accidents and maintenance submitted to fleet	4 reports on fleet management systems with logistics management, fuel utilization, accidents and maintenance submitted to fleet management committee	Target met 4 reports on fleet management systems with logistics management, fuel utilization, accidents and maintenance submitted to fleet management committee	Target met 3 reports on fleet management systems with logistics management, fuel utilization, accidents and maintenance submitted to fleet management committee	There were no vehicles to be booked. The full implementation will be applied upon availability of fleet to be booked at end of Q1.	Director: Corporate Services	5.3.1

Outcome 9: A Responsive	Strategic Objective	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
			management committee						
	To ensure compliant and prudent safeguarding and preservation of institutional memory by 2027	Establishment of legal frameworks, standards, and ethical principles to protect the confidentiality of data	No. of implemented projects on the file plan for all active and archived documents	4 implemented projects with file plan for active and archived documents	Target met 4 Project implemented on the file plan	Target met 4 Project implemented on the file plan	N/A	Director: Corporate Services	5.4.1
	To optimize and improve data security by 2027	Implementation of digital Transformation Strategy	No of reports on the implementation of the Digital Transformation Strategy	4 reports on the Implemented Digital Transformation Strategy	Target not met Could not determine % utilization of domain emails by Staff from the information submitted	Target not met 4 reports on the Implemented Digital Transformation Strategy	N/A	Director: Corporate Services	5.5.1
			No. of implemented internet projects in all municipal office buildings	2 implemented internet projects in municipal office buildings.	Target met 2 Implemented Internet projects in all Municipal Office	Target met 2 Implemented internet projects in all municipal office buildings	N/A	Director: Corporate Services	5.5.2
	To ensure adequate and improved working environment	Upgrading of offices	% progress achieved on the Construction of Amahlathi	30% progress achieved on the Construction of Amahlathi	Design Completed (New Target)	Target not met 20% progress achieved on the Construction of	Slow progress by contractor submitted a turnaround	Director: Engineering Services	5.6,1

Outcome 9: A Strategic Responsive	Strategy	Key Performance Indicator	Annual Target 2024/25	Annual Actual 2023/24	Annual Actual 2024/25	Comment and Corrective Action	Custodian	KPI NO
To develop and implement effective and compliant frameworks to improve planning and performance management by 2022 and beyond	Promote accountability whilst creating high performance throughout the organization	No of progress reports on implementation of approved IDP/Budget/PMS process submitted to Standing committee	Municipal offices in Stutterheim 2 progress reports on Implementation of approved IDP/Budget/ PMS plan submitted to Standing committee	Monitoring implementation of approved IDP/Budget/PMS process plan.	Amplified Municipal offices in Stutterheim	plan that will be closely monitored by consultant and the client	Municipal Manager	5,7,1
					Further report on implementation of approved IDP/Budget/ PMS process submitted to Standing committee	N/A		

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 INTRODUCTION

According to the Amahlathi Local Municipality organisational structure, the Municipality have six (6) section 56 managers who are signing performance agreements and submitted to the Department of Local Government and Traditional Affairs within the required time frames.

The 6 section 56 managers lead the following departments:

DEPARTMENT	FILLED/NOT FILLED
Municipal Managers Office	Filled
Budget and Treasury Office	Filled
Development and Town Planning	Filled
Engineering Services	Filled
Community Services	Filled
Corporate Services	Filled

Full time staff complement per functional area

Employees				
	Employees	2023/2024	Current year 2024/25	Total No
	No.			Employees
Corporate Services	29	32	24	24
Development and Planning	16	13	11	11
Engineering Department	63	75	69	69
Community Services	99	85	90	90
Executive Services	29	20	27	27
BTO	30	32	31	31
Totals	266	257	252	252

Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.

Vacancy Rate: Year 2024/25			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S56 Managers (excluding Finance Posts)	4	0	0%
Senior Manager Levels 17-19	1	0	0%
Highly skilled supervision levels 12-16	38	2	0.87%
Skilled Technical & Academically Qualified Workers, Junior Management 9-11	42	0	14%
Total	87	2	4,3%

Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 252 to give the number of posts equivalent to the accumulated days.

TERMINATION REPORT AS AT 30 JUNE 2025

DEPARTMENT	RESIGNED	CONTRACT EXPIRED	RETIREMENT	DISMISSAL	DEATH	MEDICAL BOARD	TOTAL
ENGINEERING	2	0	0	1	0	0	
CORPORATE SERVICES	1	0	0	0	0	0	1
COMMUNITY SERVICES	1	0	2	0	0	0	3
BUDGET AND TREASURY	0	0	0	0	1	0	1
PLANNING & DEVELOPMENT	0	0	0	0	0	0	0
EXECUTIVE SERVICES OFFICE	1	0	0	0	0	0	1
TOTAL	5	0	2	1	1	0	9

Note: *The Municipality had a total of 252 employees in the 2024/25 financial year and nine (9) exited due to resignations, death and retirements. One employee was dismissed. The average South African benchmark for employee attrition is 10% and the municipality was able to contain its attrition rate to (9/252) 3.571%.

COMMENT ON VACANCIES AND TURNOVER:

The table above shows that the Corporate Services Department lost one (1) employee who was a driver to the speaker, two (2) General Worker Engineering and one (1) dismissal of the Manager Roads and Storm Water which is the highest position in the department. Three (3) General workers from Community Services and BTO office lost one (1) employee through death. One (1) Resignation from Executive Services.

This shows that ALM has no big problem of labour turnover, as Nine (9) employees left the institution.

4.2 MANAGING THE MUNICIPAL WORKFORCE

Municipal Systems Act 2000 s 67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient and transparent personnel administration in accordance with the Employment Equity Act. The Amahlathi Local Municipality has the policy process plan in place that is followed prior adoption of the institutional policies, policies are workshopped and adopted by the council on 30 June 2025. Below is the policy process plan for the institution:

PROCESS PLAN FOR ALL INSTITUTIONAL POLICIES TO BE REVIEWED / DEVELOPED 2024/2025 FINANCIAL YEAR				
	ACTION REQUIRED	PERSON RESPONSIBLE	TIME FRAME	COMMENTS/STATUS
Development/ review of institutional policies	Directorates will discuss their policies, identify areas that need to be reviewed. Develop new policies that are required by the municipality	All HOD'S	10 February 2025	This involves the analysis of the current policies to identify weaknesses and gaps
	Submission of all policies by departments to Corporate Services	All HOD'S	10 February 2025	Submission to Corporate Services after an extensive interaction to ensure joint workforce planning
	Policy workshop by the established policy development committee to engage on extensive interaction by all departments in preparation for the Institutional Policy Workshop	Municipal Manager, All Directors, All Managers and Supervisors	12 & 13 February 2025	Engagements with various departments
	Institutional Policy Workshop	ALL HOD'S	29 & 30 April 2025	Scrutinizing and cleaning up of all draft policies for submission to Council.
	Submission to Corporate Services Standing Committee	Director: Corporate Services	06 May 2025	Submission to Standing Committee
	SPECIAL LLF Consultation with Corporate Services Department	Corporate Services	27 May 2025	This involves the analysis of the Corporate Services Policies to identify weaknesses and gaps
	Submission of Policies to Council for adoption	Director Corporate Services	29 May 2025	Submission of policies to the Council

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%		
1	Code of conduct for councillors	100	June 2022	29 June 2025
2	Council Rules of order	100	June 2022	29 June 2025
3	Delegations of Authority	100		29 June 2025
4	Expanded Public Works Programme Policy	100		29 June 2025
5	Petitions Policy	100	June 2022	29 June 2025
6	Code of conduct for ward committees	100	June 2022	29 June 2025
7	Career Management policy	100	June 2022	29 June 2025
8	Experiential training policy	100	June 2022	29 June 2025
9	Scarce Skills Policy	100	June 2022	29 June 2025
10	Employee study assistance policy	100	June 2022	29 June 2025
11	Training and development policy	100	June 2022	29 June 2025
12	Acting allowance policy	100	June 2022	29 June 2025
13	Bereavement Policy	100	June 2022	29 June 2025
14	Leave Policy	100	June 2022	29 June 2025
15	Policy on policy development	100	June 2022	29 June 2025
16	Fleet management Policy	100	June 2022	29 June 2025
17	Subsistence and Travelling Policy	100	June 2022	29 June 2025
18	Official transport to attend Funerals (Bereavement Policy)	100	June 2022	29 June 2025
19	Job Evaluation review policy	100	June 2022	29 June 2025
20	Occupational health and safety policy	100	June 2022	29 June 2025
21	Overtime and shift allowance policy	100	June 2022	29 June 2025
22	Performance Management and Development	100	June 2022	29 June 2025
23	Recruitment and Selection policy	100	June 2022	29 June 2025
24	Code of conduct for staff members	100	June 2022	29 June 2025
25	Long Service Allowance Policy	100	June 2022	29 June 2025
26	Code of conduct for councillors	100	June 2022	29 June 2025

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27	Grievance procedure	100	June 2022	29 June 2025
28	Skills Development policy	100	June 2022	29 June 2025
29	Staff retention policy	100	June 2022	29 June 2025
30.	Telephone usage and cellular allowance phone	100	June 2022	29 June 2025
31.	Records Management Policy	100	June 2022	29 June 2025
32.	Uniforms and Protective Clothing (Health and Safety Policy)	100	June 2022	29 June 2025
32.	Placement Policy	100	June 2022	29 June 2025
33.	Covid 19 Management Policy	100	June 2022	29 June 2025
Use name of local policies if different from above and at any other HR policies not listed.				T 4.2.1

4.3 SICK LEAVE

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

The claim was lodged with department of Labour and there was no compensation as there was no permanent or temporary disablement.

T 4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employee	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled /Unskilled (Levels 2-5)	114	8.6%	19	71	11.2	R40 512.03
Semi-Skilled (Levels 6-11)	290	59%	44	101	11.8	R155 102.30
Highly skilled production (levels 12-19)	351	24%	33	79	7.1	R111 433.46
Interns	72	0.1%	5	5	0.2	R 9 550.20
Other (task grade pending)	0	0%	0	0	0	R0.00
MM and S57	21	0%	2	5	1.1	R15 500.30
Total	848	91.7%	103	261	31.4	R 332 098.29

261 Number of employees in post at the beginning of the year including Interns

T 4.3.2

Number and Period of Suspensions				
	Department	Position	Nature of Alleged Misconduct	Date of Suspension
1	Community Services	Snr Traffic Officer	Fraud	2024/04/03
2	Community Services	Senior Enquiries Clerk	Fraud	2024/04/03
3	Community Services	General Worker/Roads	Fraud	2024/04/03
4	Community Services	Eng Clerk Prot Serv.	Fraud	2024/05/17
5	Community Services	Cashier	Fraud	2024/10/08
6	BTO	Revenue Manager	Illegal Strike	2024/10/16
7	Corporate Services	Cleaner Messenger/LED	Illegal Strike	2024/10/16
8	Community Services	General Worker/Community	Illegal Strike	2024/10/16
9	Engineering Services	General Worker/Eng	Illegal Strike	2024/10/16
10	Corporate Services	Cleaner Messenger/Comm	Illegal Strike	2024/10/16
11	Corporate Services	Cleaner Messenger/Comm	Illegal Strike	2024/10/16
12	Community Services	Librarian	Illegal Strike	2024/10/16
13	Community Services	Senior DTLC Clerk	Insolent behaviour	2025/02/07
14	LED	Senior Manager	Isolent Behavior	2025/02/07
15	Corporate Services	Conditions of Service	Fraud	2025/04/07

16	BTO	Payroll	Fraud	2025/04/07
17	BTO	Payroll	Fraud	2025/04/10
18	BTO	Free Basic	Fraud	2025/04/10
19	BTO	Bank Recon.	Fraud	2025/04/10

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
Traffic officer	Fraud	03/04/2024	Pending
Enquiries Clerk	Fraud	03/04/2024	Pending
Enquiries Clerk	Fraud	03/04/2024	Pending
Cashier	Fraud	08/10/2024	Pending
BTO Payroll	Fraud	07/04/2025	Pending
BTO Payroll	Fraud	10/04/2025	Pending
BTO Free basic	Fraud	10/04/2025	Pending
Conditions of services	Fraud	07/04/2025	Pending
T 4.3.6			

4.4 CAPACITATING THE MUNICIPAL WORKFORCE - SKILLS DEVELOPMENT AND TRAINING

SKILLS DEVELOPMENT MATRIX

Skills Matrix											
Employees in post as at 30 June Year 2025											
Management Level	Gender	Learnership			Skills programmes & other short courses						
		No.	Actual: End of Year 2025	Actual: End of Year 2025	Year Target	Actual: End of Year 2025	Management of	Gender	No.	Actual: End of Year 2025	Actual: End of Year 2025
MM and s56	Female	0	3	0	0	0	MM and s56			1	1
	Male	0	0	0	0	0				0	0
Councillors, senior officials and managers	Female	0	5	0	0	0	Councillors, senior officials and managers			14	14
	Male	0	5	0	0	0				18	18
	Female	0	0	0	0	0	Technicians and			0	0

Technicians and associate professionals*											associate professional s*									
	Male	0	1	0	0	0	0	0	0	0				1			1			
	Female	0	0	0	0	0	0	0	0	0	Professional s			3			3			
	Male	0	1	0	0	0	0	0	0	0				2			2			
	Female	0	12	0	0	0	0	0	0	0	Semi- Skilled and Unskilled			9			9			
	Male	0	9	0	0	0	0	0	0	0				4			4			
	Female	0	20	0	0	0	0	0	0	0	Sub total			27			27			
Sub total																				

Male	0	15	0	0	0	0	25	25	25
Total	0	35	0	0	0	0	52	52	52

*Registered with professional Associate Body e.g. CA (SA)

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

4.5 MANAGING THE WORKFORCE EXPENDITURE

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0
	Male	0
Senior management (Levels 13-16)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).		

T 4.6.2

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	0	0 0	0	N/A

T 4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
N/A	N/A	N/A	0	N/A

T 4.6.4

CHAPTER 5: FINANCIAL PERFORMANCE

5.1 INTRODUCTION

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

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

COMPONENT A: STATEMENT OF FINANCIAL PERFORMANCE

Reconciliation of Table A1

Budget Summary

Description	Year 2024/25										Year -2023/24				
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates	26 745 685	-	26 745 686	-		26 745 686	22 003 286		-18%	82%	82%				24 168 893
Service charges	62 934 831	12 702 931	75 637 762	-		75 637 762	75 059 025		-1%	99%	119%				62 808 380
Investment revenue	3 892 102	-	3 892 102	-		3 892 102	2 880 947		-26%	74%	74%				3 455 509
Transfers recognised – operational	145 504 900	480 000	145 984 900	-		145 984 900	146 341 300		1%	100%	101%				146 341 300
Other own revenue	27 094 869	-154 622	26 940 247	-		26 940 247	31 427 512		16%	116%	116%				30 410 055
Total Revenue (excluding capital transfers and contributions)	266 172 387	13 028 309	279 200 697	-	-	279 200 697	277 715 199		-1%	99%	104%				267 184 137
Employee costs	141 493 420	- 9 972 883	131 520 537	-		131 520 537	125 427 265		-5%	95%	89%	-	-	-	136 206 071
Remuneration of councillors	15 030 680	-	15 030 680	-		15 030 680	14 005 898		7%	93%	93%	-	-	-	13 595 241
Debt impairment	26 000 000	-	26 000 000			26 000 000	23 927 251		8%	92%	92%	-	-	-	25 872 214
Depreciation & asset impairment	24 185 885	-	24 185 885			24 185 885	28 747 251	- 4 561 366	-7%	119%	119%	- 4 561 366	-	-	24 778 718

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Net cash from (used) financing Cash/cash equivalents at the year end	21 091 550	-	-	21 091 550	-	14 731 720	-30%	70%	70%	288 495	22 980 213
T 5.1.1											
<p>Notes</p> <p>3 = sum of column 1 and 2</p> <p>2 represents movements in original budget to get to final adjustments budget (including shifting of funds)</p> <p>Virements must offset each other so that virements in Total Expenditure equals zero</p> <p>6 = sum of column 3, 4 and 5</p> <p>8 does not necessarily equal the difference between 9 and 8 because overspending is not the only reason for unauthorised expenditure</p> <p>9 = 7 - 6</p> <p>10 = (7/6)*100</p> <p>11 = (9/1)*100</p> <p>14 = 13 - 12</p> <p>15 in revenue equals Audited Outcome plus funds actually recovered</p> <p>15 in expenditure equals Audited Outcome less funds actually recovered</p> <p>15 in Cash Flow equals Audited Outcome plus funds recovered</p>											
<p>This schedule must be part of the financial statements of the municipality (all other schedules, A2 - A7, should form part of the annexures to the financial statements. These schedules do not directly form part of the audit opinion)</p>											

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Financial Performance of Operational Services						
Description	R '000					
	Year -2023/24	Year 2024/25			Year 2024/25	
		Original Budget	Adj Budget	Actual	Original Budget	Adj Budget
Operating Cost						
Electricity	58 752 643	68 238 421	71 175 884	67 069 214	-2%	-6%
Waste Management	13 684 744	13 159 204	13 868 969	14 985 243	14%	8%
Housing	186 383	-	76 200	86 325	0%	13%
Component A: sub-total	72 623 770	81 397 625	85 121 053	82 140 782	1%	4%
Roads	53 458 935	62 804 771	59 610 719	52 742 070	-16%	12%
Component B: sub-total	8 842 750	9 776 016	8 913 574	8 492 075	-13%	-5%
Planning & Development	8 842 750	9 776 016	8 913 574	8 492 075	-13%	-5%
Component C: sub-total	15 446 810	14 648 511	13 302 161	13 637 848	7%	3%
Community & Social Services	11 234 554	10 868 132	10 537 459	11 004 741	1%	6%
Public Safety	4 232 256	3 780 379	2 764 702	2 633 107	-30%	-5%
Sport and Recreation	-	-	-	-	-	-
	96 913 330	105 822 152	107 336 788	104 270 705	-1%	-3%

In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.1.2

Grant Performance						
Description	R' 000					
	Year -2023/24	Year 2024/25			Year 2024/25	
		Budget	Adjustments Budget	Actual	Original Budget (%)	Adj Budget (%)
Operating Transfers and Grants						
National Government:	136 913 150	143 951 150	144 251 150	144 251 150	100%	100%
Equitable share	131 533 000	138 370 000	138 370 000	138 370 000	105%	100%
FMG Grant	2 200 000	2 200 000	2 200 000	2 200 000	100%	10%
EPWP Grant	1 310 000	1 211 000	1 511 000	1 511 000	125%	100%
PMU 5%	1 538 500	1 870 150	1 870 150	1 870 150	100%	100%
Disaster Relief Grant			-			
Provincial Government:	1 249 400	1 854 000	1 854 000	1 854 000	100%	100%
Sports and Recreation	1 200 000	1 792 000	1 792 000	1 792 000	100%	100%
Human Settlements	49 400	62 000	62 000	62 000	100%	100%
District Municipality:	-	-	-	-	-	-

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Other grant providers:	249 785	398 750	398 750	398 750	100%	100%
Seta Grant	249 785	398 750	398 750	398 750	100%	100%
Total Operating Transfers and Grants	138 412 335	146 203 900	146 503 900	146 503 900	100%	100%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.						
						T 5.2.1

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

5.2. ASSET MANAGEMENT

The Amahlathi Local Municipality believes that an Asset Management Policy is essential to ensure effective and efficient utilization of public monies and accountability thereof is heavily dependent on accurate recoding and accounting with the compilation of the Asset Register that is GRAP compliant. The policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The prime objective of the policy is to ensure that the assets of Amahlathi Municipality are properly managed and accounted for by:-

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict control over all assets
- Providing correct and meaningful management information
- Affecting adequate insurance of all assets
- Maintenance of Council's Assets

The policy is reviewed and amended by council annually during IDP and Budget process. The last review was done in May 2024.

An asset tracking system using bar-coded discs and scanners is implemented. The system allows for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular updates of the register.

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2023/24				
Asset 1				
Name	Paving of Xholorha Internal Roads			
Description	Construction and Surfacing of Roads			
Asset Type	Road Infrastructure			
Key Staff Involved	2			
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project			
Asset Value				Year 2024/25
				9 094 339.40
Capital Implications				
Future Purpose of Asset	To provide the community with at least a basic level of service			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
Asset 2				
Name	Building			
Description	Construction of Municipal Offices			
Asset Type	Buildings			
Key Staff Involved	2			
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project			
Asset Value				Year 2024/25
				6 034 705.23

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Capital Implications	
Future Purpose of Asset	To provide the community with at least a basic level of service
Describe Key Issues	
Policies in Place to Manage Asset	Asset Management Policy
Asset 3	
Name	Regraveling Cenyu Village Internal Roads
Description	Construction of Access Road and Storm Water Structure
Asset Type	Roads Infrastructure
Key Staff Involved	2
Staff Responsibilities	Monitoring, Managing & Reporting on the implementation of the Project
Asset Value	
Capital Implications	
Future Purpose of Asset	To provide the community with at least a basic level of service
Describe Key Issues	
Policies in Place to Manage Asset	Asset Management Policy, Roads Maintenance Policy
T 5.3.2	

Repair and Maintenance Expenditure: Year 2024/25				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	3 765 000	2 902 800	2 676 675	23%
T 5.3.4				

Financial Ratios

FINANCIAL VIABILITY ASSESSMENT			
		As at 30 June 2025	As at 30 June 2024
Expenditure management			
1.1	Creditor-payment period	357,8 Days	726,6 Days
Revenue management			
2.1	Debt-collection period (after impairment)	225,1 days	240,35 Days
2.2	Debt-impairment provision as a percentage of accounts receivable	70%	71,4%
	· Amount of debt-impairment provision	R113 629 083	R142 731 001
	· Amount of accounts receivable	R163 133 145	R200 004 603
Asset and liability management			
3.1	A deficit for the year was realised (total expenditure exceeded total revenue)	No	No
	· Amount of the surplus / (deficit) for the year	R66 340 784	R5 929 929
3.2	A net current liability position was realised (total current liabilities exceeded total current assets)	Yes	Yes
	· Amount of the net current assets / (liability) position	R128 270 852	R136 961 931
3.3	A net liability position was realised (total liabilities exceeded total assets)	No	No
	· Amount of the net asset / (liability) position	R321 645 365	R255 323 098,00
Cash management			
4.1	The year-end bank balance was in overdraft	No	No
	· Amount of year-end bank balance (cash and cash equivalents) / (bank overdraft)	R12 370 225	R22 980 213,00
4.2	Net cash flows for the year from operating activities were negative	No	No
	· Amount of net cash in / (out)flows for the year from operating activities	R61 796 930	R57 942 083
4.3	Creditors as a percentage of cash and cash equivalents	1 333%	760,90%
	· Amount of creditors (accounts payable)	R164 890 692	R174 857 971
	· Amount of cash and cash equivalents / (bank overdraft) at year-end	R12 370 225	R22 980 213
4.4	Current liabilities as a percentage of next year's budgeted resources **	70%	102,20%
	· Amount of current liabilities	R222 318 525	R229 458 093
	· Amount of next year's budgeted income	R322 007 776	R325 710 233

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital Expenditure - Funding Sources: Year -2023/24 to Year 2024/25							
R' 000							
Details		Year -2023/24	Year 2024/25				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adj to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans						
	Public contributions and donations						
	Grants and subsidies	46 078 107	59 537 850	79 091 851	77 507 219	32%	30%
	Other	8 785 011	2 610 000	6 654 500	5 543 570	155%	112%
Total		54 863 122	62 147 850	85 746 351	83 050 789	34%	34%
Percentage of finance							
	External loans	-	-	-			
	Public contributions and donations	-	-	-			
	Grants and subsidies	84%	96%	92%	93%	4%	3%
	Other	16%	4%	8%	7%	30%	31%
Capital expenditure							
	Waste Projects	-	560 000	560 000	430 387	0%	-23%
	MIG Projects	22 431 264	35 532 850	35 532 850	29 074 516	0%	-18%
	Other	28 525 102	18 055 000	42 060 652	44 075 774	133%	144%
Total		50 956 366	54 147 850	78 153 502	73 580 677	44%	36%
Percentage of expenditure							
	Electricity	15%	9%	8%	22%	1%	13%
	Roads	23%	60%	28%	25%	32%	35%
	Other	61%	31%	64%	53%	67%	52%

T 5.6.1

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Current: Year 0			Variance: Current Year 0	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Paving of Xholorha Internal Roads	13 850 000	13 850 000	13 982 553	1%	1%
KKH Recreational Centre	4 600 000	5 243 000	5 455 372	19%	4%

Mlungisi Sportfield	5 400 000	5 400 000	5 059 006	-6%	-6%
Regraveling Cenyu Village Internal Roads	3 500 000	3 500 000	3 499 775	0%	0%
Regraveling of Phumlani Community	4 000 000	4 000 000	3 986 147	0%	0%
<i>* Projects with the highest capital expenditure in Year 0</i>					
Name of Project - A					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - B					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - C					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - D					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
Name of Project - E					
Objective of Project					
Delays					
Future Challenges					
Anticipated citizen benefits					
					T 5.7.1

COMPONENT C: CASH FLOW STATEMENT

Cash Flow Outcomes				
Description	Year -2023/24	Current: Year 2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts	265 885 585	312 802 609	367 817 438	298 738 251
Ratepayers and other	78 209 535	94 921 507	134 977 826	72 008 784
Government - operating	138 142 434	141 781 000	142 081 000	146 341 300
Government - capital	46 078 107	61 408 000	75 640 199	77 507 219
Interest	3 455 509	14 692 102	15 118 413	2 880 948
Dividends	-	-	-	-
Payments	-207 943 502	-236 173 496	-246 057 306	-236 941 321
Suppliers and employees	-207 896 630	-233 173 496	-243 557 306	-236 198 922
Finance charges	-46 872	-3 000 000	-2 500 000	-742 399
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	57 942 083	76 629 113	121 760 132	61 796 930
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				1 533 759
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets	-50 310 960	-54 147 850	-78 153 502	-73 580 677
NET CASH FROM/(USED) INVESTING ACTIVITIES	-50 310 960	-54 147 850	-78 153 502	-72 046 918
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing	-288 495	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-288 495	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	7 342 628	5 389 084	5 389 084	-10 249 988
Cash/cash equivalents at the year begin:	15 637 585	15 702 466	15 702 466	22 980 213
Cash/cash equivalents at the year end:	22 980 213	21 091 550	21 091 550	12 730 225

Source: MBRR A7

T 5.9.1

5.10 BORROWING AND INVESTMENTS

Actual Borrowings: Year -2021/22 to Year 2024/25				
			R' 000	
Instrument	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25
Municipality	-	-	-	-
Long-Term Loans (annuity/reducing balance)	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-
Local registered stock	-	-	-	-
Instalment Credit	-	-	-	-
Financial Leases	-	-	-	-
PPP liabilities	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-
Marketable Bonds	-	-	-	-
Non-Marketable Bonds	-	-	-	-
Bankers Acceptances	-	-	-	-
Financial derivatives	-	-	-	-
Other Securities	-	-	-	-
Municipality Total	-	-	-	-
	-	-	-	-
Municipal Entities	-	-	-	-
Long-Term Loans (annuity/reducing balance)	-	-	-	-
Long-Term Loans (non-annuity)	-	-	-	-
Local registered stock	-	-	-	-
Instalment Credit	-	-	-	-
Financial Leases	-	-	-	-
PPP liabilities	-	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-	-
Marketable Bonds	-	-	-	-
Non-Marketable Bonds	-	-	-	-
Bankers Acceptances	-	-	-	-
Financial derivatives	-	-	-	-
Other Securities	-	-	-	-
Entities Total	-	-	-	-
				T 5.10.2

Municipal and Entity Investments				
			R' 000	
Investment* type	Year 2022/23	Year 2023/24	Year 2024/25	
	Actual	Actual	Actual	
Municipality				

Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	9 753	15 637	22 981	
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Municipal Bonds				
Other				
Municipality sub-total	9 753	15 637	22 981	
<u>Municipal Entities</u>				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank				
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Other				
Entities sub-total	-	-	-	
Consolidated total:	9 753	15 637	22 981	
			<i>T 5.10.4</i>	

5.3 SUPPLY CHAIN MANAGEMENT

Section 3(1) (b) and (c) of the SCM regulations states that the accounting officer of a municipality must at least annually review the implementation of SCM policy and when necessary, submit proposal for the amendments of the policy to council. The SCM policy was initially developed in 2005 and implemented to give effect to the SCM regulations, and it was last reviewed in May 2017. Amahlathi has established an SCM unit which comprises of four officials. The code of conduct, oath of secrecy and declaration forms are signed by all officials involved in supply chain management. The SCM manager has reached prescribed levels as required by the Minimum Competency Regulations Guidelines and the other three officials are still in process. In line with Municipal Finance Management Act (MFMA), the accounting officer has also established various bid committees that are consistent with the SCM regulations and any applicable legislation for competitive bidding i.e.

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

5.13 GRAP COMPLIANCE

The municipality is required by legislation to report on its financial affairs using GRAP Reporting Framework. The Annual Financial Statements and Fixed Asset Register have been prepared and submitted using applicable GRAP standards. In the current year, the municipality has not adopted any new standards and interpretations as there are none effective in the current financial year.

CHAPTER 6: AUDITOR GENERAL FINDINGS

6.1. AUDITOR GENERAL OPINION 2023/24

The Amahlathi Local Municipality received a unqualified audit opinion in 2023/2024 audit and the following issues were raised.

DRAFT 2024/25 ANNUAL REPORT

CAC No.	CAT	Audit Finding	Nature of the Finding	Cause	Classification	Recommendation	Action Plan	Progress	Time Frame	Disbursed	Status
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DRAFT 2024/25 ANNUAL REPORT

COAF 006	AFS	1. Electricity – Classification issue	For the General expenditure – Electricity amount recorded on the financial statements amounting to R4 178 562 as illustrated on note 39, it was identified that the transaction included Electricity, expenditure for water and sanitation amounting to R3 849 540.93. Therefore, this means that the amount recorded on the financial statements is misleading to the users of the financial statements	This is due to failure to separate the expenditures for water and sanitation from the electricity expenditure on the financial statements or to align with the vote for Electricity, water and sanitation' as per the general ledger	misstatement in annual financial statement	Management should ensure that the amounts presented on the financial statement are accurate, appropriately presented and are not misleading to the users of the financial statements	Adequate time for the review of annual financial statements to lead schedules and supporting documents with sign-off. Submission of AFS to Internal Audit for review. Allow sufficient time for review of AFS to the Audit plan	Expenditure classification on annual financial statements corrected.	18-Jul-25	Budget and treasury	Implemented
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DRAFT 2024/25 ANNUAL REPORT

COAF No.	CAT	Audit Finding	Nature of the Finding	Cause	Classification	Recommendation	Action Plan	Progress	Due Date	Department	Status
COAF 009	SCM	Payments - Inaccurate amount recorded	Payments were identified as being inaccurately recorded in the commitments register as follows	Payments were due to incorrect commitments made for services rendered, therefore an inaccurate balance	Payments in Financial statements	Management should ensure that reviews are performed on commitments Register and the calculation relating to the value, payments made to and variation orders have been accurately recorded	Commitments Register to WIP and Payments Registers		15/08/2025	Ind Treasury	

DRAFT 2024/25 ANNUAL REPORT

COAF No.	CAT	Audit Finding	Nature of the Finding	Cause	Classification	Recommendation	Action Plan	Progress	Time Frame	Discontinued	Status
		Error - Note 46	at the prior omitted to previously report the prior amount conditional as follows	ry with it was noted nces were to include amounts as RAP 3	in financial	ould ensure that Prior ple completely and closed in that it correctly mount previously correction of the error ed figure.	ne for the hual ments to s and uments with of AFS to or review. ant time to FS in the			asury	

COAF 018	Ind Payables	Invoices not paid days from invoice receipt date	Invoices were not days from date e invoices, refer below for details	This is due to ment lack of insuring that e paid within ated 30 days	Non-compliance	rtaking any procurement he municipality must first fficient funds have been cash is available for the nt of the required goods, or services. This must be ed in writing by the Chief ncial Officer. If this is not , then no orders must be such procurement must o proceed. Accordingly, it on the accounting officer, ancial officer and head of ment to ensure municipal are aware of the control es and service providers re any orders are placed or approved	ances, where es will not be thin 30 days, ars and make want payment arrangements	On going	30/06/2025	Ind Treasury
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DRAFT 2024/25 ANNUAL REPORT

Material Irregularity	Environmental Audit	1. Cathcart Waste Landfill and Transfer Station findings and impacts reported	The Amahlathi Local Municipality's waste management and disposal activities sometimes contravene or failed to comply with the requirements of section 28 (1) Duty of Care) of the NEMA, section 19 (Prevention and remedying effects of pollution) of the NWA, 1998 (Act No. 36 of 1998. Requirements within the NEMWA, sections 16(1) (c) where waste must be disposed of, ensure that the waste is treated and disposed of in an environmentally sound manner & (d) manage the	Material Irregularity	1. Commence operation of Transfer station. Closure and rehabilitation of the Cathcart waste disposal site	30 June 2025 30 June 2026	Community Services

CAF No.	CA7	Actual Finding	Nature of the Finding	Cause	Classification	Recommendation	Action Plan	Progress (see Frame)	Disagreed	Status
arity			Local curred rest on kom Debt		arity		approve ment plan Eskom gramme		asury	

B.2 AUDIT REPORT OF THE AUDITOR GENERAL 2023/24 FINANCIAL YEAR

Report of the auditor-general to Eastern Cape Provincial Legislature and the council of Amahlathi Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Amahlathi Local Municipality set out as annexure volume II, 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 the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Amahlathi Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

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

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 48 to the financial statements, which indicates that the municipality is unable to pay creditors within due dates and has negative key financial ratios, and that net current liabilities were realised. As stated in note 48, these events or conditions, along with the other matters as set forth in note 48, 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 46 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Material losses - electricity

10. As disclosed in note 53 to the financial statements, material electricity losses of R18,36 million (2022-23: R18,16 million) were incurred, which represents 35,31% (2022-23: 42,07%) of total electricity purchased. The total losses are attributable to normal losses and illegal connections.

Material impairments – receivables

11. As disclosed in note 4 and 5 to the financial statements, material cumulative allowance for impairment losses of R89,01 million (2022-23: R73,69 million) and R53,72 million (2022-23: R47,19 million) was incurred as a result of a provision for impairment of consumer debtors.

Other matter

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

Unaudited disclosure notes (section 125)

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

Responsibilities of the accounting officer for the financial statements

14. 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.
15. 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

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

Report on the annual performance report

18. 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.
19. 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.
 - Percentage progress towards development of designs for Izidenge internal roads
 - Percentage progress towards development of designs for Ngqeqe internal roads
 - Percentage progress towards roads constructed at Frankfort
 - Percentage of faulty reported meters repaired and replaced per query form
 - Number of electricity meters installed.
 - Number of paintable streets with faded road markings painted
 - Percentage progress towards construction of Stutterheim recreation centre
 - Percentage progress towards construction of Keiskammahoek recreation centre
 - 100% progress towards development of designs for Phumlani community hall
 - Percentage progress towards development of designs for construction of Langdraai community hall
 - Percentage progress towards construction of Mbaxa community hall
 - Number of partially completed sites with no contractors on sites provided with security services.

20. 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.
21. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance, as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
22. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
23. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

24. I draw attention to the matter below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or underachievement's.
26. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

Basic Service Delivery and Infrastructure Development

<i>Targets achieved: 83.33%.</i> <i>Budget spent 100%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Percentage progress towards construction of Keiskammahoek recreation centre	60%	46%
Percentage progress towards construction of Mbaxa community hall	75%	50%

Report on compliance with legislation

27. 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.
28. 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.
29. 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.
30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual Financial Statements

31. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of general expenses, cash flow statement and commitments identified by the auditors in the submitted financial statement were subsequently corrected and, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

32. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.
33. Reasonable steps were not taken to prevent irregular expenditure amounting to R23,95 million as disclosed in note 52 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused standardization of salaries.

34. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R10,68 million, as disclosed in note 51 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 and penalties.

Utilisation of conditional grants

35. Performance in respect of programmes funded by the Municipal Infrastructure Grant was not evaluated within two months after the end of the financial year, as required by section 12(5) of the Division of Revenue Act (Act 5 of 2023).

Consequence management

36. 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.

Procurement and contract management

37. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM Regulation 19(a).
38. The preference point system was not applied in some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.
39. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.

Other information in the annual report

40. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the development priority presented in the annual performance report that have been specifically reported on in this auditor's report.
41. 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.
42. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
43. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

44. 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.
45. 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.
46. Leadership did not adequately discharge its oversight responsibilities of the implementation and monitoring of internal controls to ensure sound financial management and compliance with legislation. This resulted in the material findings identified during the audit of the annual financial statements and the audit of compliance with laws and regulation.
47. The municipality did not effectively monitor the implementation of corrective actions to address internal control deviations and compliance requirements.

Material irregularities

48. 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.

Material irregularities identified during the audit.

49. The material irregularity identified is as follows:

Cathcart Waste Landfill site: Non-compliance with environmental management legislation

50. The municipality is operating a landfill site in Cathcart without a valid licence. The site was licensed for closure on 18 July 2013, with closure and rehabilitation required within a period of two years. This means that the license has lapsed, requiring a new closure license application for and upon closure. The site continues to be used for waste disposal and treatment.
51. This resulted in a material non-compliance with section 28(1) of the National Environmental Management Act 107 of 1998 (NEMA) and section 16 (1) of the National Environmental Management: Waste Act 59, of 2008 (NEMWA) which resulted in pollution of the environment, mainly due to the following:
 - No signs to and from the site observed.
 - No access control (nor security) – no official after hours (only a spotter during day to monitor the waste dumping that incur).
 - Waste disposal still incur.
 - No or ineffective control over waste receive / disposed.
 - Scavenging / recycler activities on site – burning of waste and smoke pollution.
 - No proper treatment / compaction / closure of waste.

- No yellow assets – vehicles and equipment needed to compact / close – treat the waste upon disposal.
 - No dust suppression.
 - No weighbridge or billing system (or waste recording).
 - Serious windblown litter / pollution of the areas on / surrounding the site.
 - No gas, water, leachate monitoring.
 - No ablution facilities / guard house or other equipment / needs
 - Perfect breeding ground for vermin, vector and other unwanted elements (health and safety concerns)
52. There is a clear indication of significant air pollution, the degradation of the environment and other nuisances caused by improper landfilling. The pollution could cause serious health, safety and injury risks to the surrounding communities, including workers using the site or communities in nearby areas and substantial harm to the public.
53. The accounting officer was notified of the material irregularity on 28 March 2024 and invited to make a written submission on the actions taken and that will be taken to address the matter. The accounting officer responded, and it was concluded that appropriate actions have been taken. The actions taken and planned are as follows:
- The municipality compiled and submitted an action plan to the Department of Economic Development Environmental Affairs and Tourism (DEDEAT) on 26 January 2024, for the activities towards closure of the site and operationalisation of the transfer station.
 - The municipality managed to source funding for conducting the basic assessment, this being the first step to outline the following processes.
 - The tender advertisement for conducting the basic assessment of the site towards closure and rehabilitation closed on 19 April 2024.
 - A draft transfer station operational plan was submitted to DEDEAT for inputs and comments. Two skip bins were procured and delivered on 15 April 2024, however these still need to be adjusted to properly fit onto the skip bin truck.
 - A concept document was developed requesting further intense training of identified recyclers around the area of Cathcart, who are going to operate the transfer station was submitted to the DEDEAT.
54. Most of the actions taken by the accounting officer that are expected to bring improvement have been effected and some are still in progress. This includes the appointment of the service provider that will undertake the basic assessment as part of the waste management licence application for the closure and rehabilitation of the site on 10 March 2025, the training sessions conducted for recyclers on 7 June 2024 and the waste disposal statistics from 1 May 2024 to 30 June 2024 to monitor the disposal of waste on site.
55. I will follow up on the implementation of the planned actions during my next audit.

Status of previously reported material irregularities**Interest and penalties charged by SARS due to late payments.**

56. The municipality did not pay the employees' tax deducted from employees over to the South African Revenue Services (SARS) within seven days after the end of the month during which the amount was deducted. This was in contravention of section 2(1) of the Fourth Schedule of the Income Tax Act and section 210 of Tax Administration Act. The municipality was required to pay penalties to SARS due to non-compliance with the Income Tax Act.
57. The non-compliance resulted in a material financial loss of R3,8 million in the form of interest, which was disclosed as fruitless and wasteful expenditure in the financial statements.
58. The accounting officer was notified of the material irregularity on 26 November 2021 and was invited to make a written submission on the actions taken and those that will be taken to address the matter. The accounting officer responded by providing evidence of investigation concluded on 22 January 2022. The investigation concluded that there were insufficient funds to make the payment on time and no persons were identified as being responsible. The investigation also found that there had been no breakdown in controls and that the unavailability of funds was the main root cause.
59. The following actions are planned to respond to the material irregularity:
- Continuous implementation of the financial recovery plan, revenue enhancement strategy and cost containment policy to mitigate the municipality's financial sustainability challenges.
60. The accounting officer improved compliance in this regard, resulting in a significant decrease in losses suffered. This is evidence that the actions taken by management to respond to the material irregularity are effective.
61. Based on my evaluation of the information and evidence provided, the steps taken by the accounting officer are appropriate and the material irregularity is therefore resolved.

Interest paid to Eskom due to late payment of invoices.

62. The municipality paid interest to Eskom on invoices that were not paid within 30 days. The payments not made within 30 days constitute non-compliance with section 65(2)(e) of the MFMA, which requires the accounting officer to 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, unless prescribed otherwise for certain categories of expenditure.
63. The non-compliance resulted in a material financial loss of R5 million in the form of interest.
64. The accounting officer was notified of the material irregularity on 18 November 2021 and was invited to make a written submission on the actions taken and those that will be taken to address the matter. The accounting officer responded by providing evidence of an investigation concluded on 15 December 2021. The investigation found that there were insufficient funds to make the payment on time and no persons were identified as being responsible. The investigation further found that there had been no breakdown in controls and that the unavailability of funds was the main root cause.
65. The following actions have been taken to respond to the material irregularity:

- The municipality proposed a payment arrangement with Eskom in July 2023 and further applied for a debt relief in accordance with circular 124 of the MFMA in August 2023.
 - The municipality has approached the high court to set aside (as it considered to be invalid), the council decision for standardisation of salaries. The case was set down on 10 May 2024, with the court ruled in favour of the municipality. The outcome of this case is expected to significantly improve the municipality's cash flows.
66. The municipality's debt relief application was approved. The municipality enrolled in the debt relief programme during the year under review in terms of which debt accumulated until 31 March 2023 will be written off over three years, subject to adherence to the conditions outlined in MFMA circular 124. For the first eight months following the cut-off date (31 March 2023), compliance scoring was reported as nil leading to an accumulation of the new debt. The municipality undertook to commence payment to Eskom regarding their new debt upon receipt of their equitable share in December 2024.
67. A slight positive progress was made whereby Eskom reversed interest charged between 1 April 2023 and 24 November 2023, amounting to R11,9 million. This benefit remains permanent even if the municipality later fails to meet the conditions for the debt write-off.
68. Based on my evaluation of the information and evidence provided, the steps taken by the accounting officer are appropriate and the material irregularity is therefore resolved.

East London

29 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	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), Sections: 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), Sections: 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), Regulations: 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1), 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 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: Municipal Staff Regulations	Regulations: 7(1), 31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(8), 7(1), 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(4), 5(1), 5(4)

AUDIT ACTION PLAN TO ADDRESS 2024/25 FINDINGS

REPORT OF THE AUDIT COMMITTEE

1. PURPOSE

The function of the Audit Committee and performance (herein referred to as the Committee) is primarily to assist the Amahlathi Municipality (hereinafter referred to as the Council) in discharging its duties relating to the safeguarding of assets, the operation of adequate systems, control processes, performance information and the preparation of financial reports and statements.

2. LEGAL / STATUTORY REQUIREMENTS

The Committee operates in terms of Section 166 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003 and has endeavoured to comply with its responsibilities arising from those requirements. Other pieces of legislation that regulates the functions of the Committee are:-

- Municipal Structures Act
- Municipal Systems Act 32 of 2000

3. BACKGROUND

An audit committee is an independent advisory body which must sit at least four times a year in order to perform the following duties:

1. Advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to—
 - a) internal financial control and internal audits;
 - b) risk management;
 - c) accounting policies;
 - d) the adequacy, reliability and accuracy of financial reporting and information;
 - e) performance management;
 - f) effective governance;
 - g) compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
 - h) performance evaluation; and
 - i) any other issues referred to it by the municipality or municipal entity;
2. Review the annual financial statements to provide the council of the municipality or, in the case of a municipal entity, the council of the parent municipality and the board of directors of the entity, with an authoritative and credible view of the financial position of the municipality or municipal entity, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
3. Respond to the council on any issues raised by the Auditor-General in the audit report;

4. Carry out such investigations into the financial affairs of the municipality or municipal entity as the council of the municipality, or in the case of a municipal entity, the council of the parent municipality or the board of directors of the entity, may request; and
5. Perform such other functions as may be prescribed.

4. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The audit committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference.

In terms of the Audit Committee Charter, the committee should consist of a minimum of 3 members.

During 2024/25 financial year, the AC held 6 meetings, 4 Ordinary AC and 2 Special AC Meetings.

Name of Member	Number of Ordinary Meetings Attended	Number of Special AC meetings attended
Ms L. Smith - AC Chairperson	4	4
Ms N. Mabuza – Hermanus	4	4
Mr M. Mdani	3	4
Mr M. Manxiwa	4	4

The Audit Committee meetings are attended by the Municipal Manager, Section 56 Managers, General Manager, Legal Manager, Internal Auditors, External auditors and other relevant stakeholders.

Auditor-General SA, COGTA, ADM and Provincial Treasury have standing invitation to attend AC Meetings.

5. EFFECTIVENESS OF INTERNAL CONTROLS

Audit Committee has assessed the internal controls for the municipality through a review of Internal Audit reports and close monitoring on implementation of 2024/25 Approved Risk- Based Internal Audit Plan.

6. RISK MANAGEMENT REPORTS

Risk Management Reports were discussed during Risk Committee meetings and were standing item in Audit Committee Meetings.

Chairperson of the Risk Committee / Municipal Manager / his delegate presented the reports to the Audit Committee.

Implementation of risk action plans was monitored and assessed by Internal Audit.

7. REVIEW OF ANNUAL FINANCIAL STATEMENTS

- 2023/24 Annual Financial Statements were reviewed by both Audit Committee and Internal Audit and submitted to Council in August 2024.
- 2023/24 Interim Annual Financial Statements as at 31 December 2023 were also reviewed by both AC and Internal Audit.

8. PERFORMANCE MANAGEMENT

- 2023/24 Annual Performance was reviewed by both Audit Committee and Internal Audit and submitted to Council in August 2024.
- 2023/24 Mid-Term Performance as at 31 December 2024 was also reviewed by both AC and Internal Audit and tabled to Council.
- All Quarterly Performance reports are reviewed by AC and Internal Audit and submitted to Council.
- It was noted that the Municipality has not fully implemented the Performance Management System.

9. FOLLOW-UP ON AG ACTION PLANS

Management reports quarterly on the implementation of AG Action Plans.

Action plans as at 30 June 2024 were submitted to Internal Audit for review.

10. FOLLOW-UP ON IA ACTION PLANS

The internal audit function conducted follow up audits to review the status of the implementation of the internal audit recommendation in audits carried out in 2023/24 financial year. The implementation status is summarized below:

Name of the audit	Number of Internal audit Recommendations	Percentage recommendations implemented	Percentage recommendations the implementation is in progress	Percentage of recommendations not yet implemented
Revenue Management Review	15	0%	53.33%	46.67%
Human resources Management Review	30	56.67%	23.33	20%
Property Plant and Equipment	3	33.33%	33.33%	33.33%

The implementation status of the majority of the recommendations made by the internal audit function were in progress during the 2024/25 financial year. Further, based on the implementation status, there is a room for improvement in the implementation of the internal audit recommendations.

11. REVIEW OF MANAGEMENT REPORTS

Audit Committee has reviewed the following Management Reports which are standing items on the Audit Committee Agenda.

7.1 ICT Performance Report

7.2 Legal Matters

7.3 Finance Reports

7.4 Performance Reports

7.5 Report on the filing of critical vacant and funded posts

No emerging risks or new areas of concern or challenges that the AC would like to highlight for the Council in relation to the listed management reports.

12. OVERALL CHALLENGES RELATING TO INTERNAL AUDIT UNIT

The following challenges have been noted impacting on performance of Internal Audit as well as Audit Committee;

- Lack of office spaces for officials since the offices burnt during the October 2018 community protests.
- The Municipality does not have Risk Management Unit or Risk Management Personnel, risk management activities are performed by Internal Auditors.

- Lack of adequate tools of trade for internal audit function.
- Lack of funding for internal auditors to attend continuous professional development trainings.
- Lack of financial resources to develop business continuity plans.
- Lack of timely responses to internal audit requests for information

There is a sound and professional relationship between the Audit Committee and the Office of the Auditor General to ensure compliance.

CHAPTER 7 APPENDICES

APPENDIX A: COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Council Members	25-Jul 2024	15-Aug 2024	29-Aug 2024	30-Oct 2024	12-Dec 2024	23-Jan 2025	26-Feb 2025	27-Mar 2025	24-Apr 2025	29-May 2025	26-June 2025	no of meeting s	perc enta ge % of coun cil meet ings	perc enta ge apol ogie s for non	perc enta ge abse nteei sm
1. Cllr. Nomakhosazana Nonggayi	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
2. Cllr. Nokuzola Mlahleki	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
3. Cllr. Onke Mgunculu	P	P	P	APOLO GY	P	APOLO GY	P	P	APOL OGY	P	APOLO GY	11	64	36	0
4. Cllr. Pateka Qaba	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
5. Cllr. Nobathembu Manyika	P	P	P	P	APOLO GY	P	LEAVE	ABSEN T	APOL OGY	APOLO GY	ABSEN T	11	46	36	18
6. Cllr. Xola Moses Tokwe	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
7. Cllr. Busisa Xongwana	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
8. Cllr. Thamsanqa Balindlela	P	P	P	P	P	APOLO GY	P					7	85	15	0
9. Cllr. Phakama Budaza	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0

10. Cllr. Patience Nomonde Onceya-Sauti	P	P	P	P	P	P	P	P	P	P	ABSEN T	11	73	0	27
11. Cllr. Ntombizonke Vivian Mjandana	P	ABSEN T	P	P	P	ABSEN T	P	P	APOL GY	P	P	11	64	18	18
12. Cllr. Moslina Ngini	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
13. Cllr. Nicholas Ncevu	P	P	APOL GY	P	P	P	P	P	P	APOL GY	P	11	82	18	0
14. Cllr. Nosipho Mkiva	P	P	P	P	P	P	P	P	APOL GY	P	P	11	91	9	0
15. Cllr. Zukisa Anda Qonto	P	P	P	P	P	P	P	P	P	P	P	11	91	9	0
16. Cllr. Nontembiso Nyangwa	ABS ENT	APOL HY	P	P	ABSEN T	P	P	P	P	P	APOL GY	11	55	27	18
17. Cllr. Nonkanyiso Charlie	P	P	P	P	P	P	APOL GY	P	P	APOL GY	P	11	82	18	0
18. Cllr. Mandlenkosi Busakwe	P	P	P	P	P	ABSEN T	P	P	APOL GY	P	P	11	82	9	9
19. Cllr. Xoliswa Neti	P	P	P	P	P	P	P	P	APOL GY	P	P	11	82	18	0
20. Cllr. Mbeko Neku	P	P	P	P	P	P	P	P	P	P	ABSEN T	11	82	9	9
21. Cllr. Sizeka Mqwebedu – Matini	P	P	ABSEN T	P	P	P	ABSEN T	P	P	P	P	11	73	0	27
22. Cllr. Phathuxolo Able Simandla	ABS ENT	ABSEN T	P	APOL GY	P	P	P	P	ABSEN T	P	APOL GY	11	55	18	27

23. Cllr. Melikaya Maweni	P	P	P	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
24. Cllr. Nomfuneko Salaze Zelna Klaas	P	P	P	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
25. Cllr. Nomvuyo Zelna Klaas	PO LOG Y	ABSEN T	P	POLO GY	P	POLO GY	P	POLO GY	P	POLO GY	P	POLO GY	P	POLO GY	11	46	45	9
26. Cllr. Richard Brennand Pickering	P	P	P	P	P	P	P	P	P	P	P	P	P	P	11	100	0	0
27. Cllr. Ndileka Ngxakangxaka	P	ABSEN T	P	P	P	P	P	P	P	P	P	P	P	P	11	91	9	0
28. Cllr. Neliswa Magaret Mbulana	P	P	P	P	P	P	P	P	P	P	P	P	P	ABSEN T	11	64	27	9
29. Cllr. Masixole Gantsho	P	P	POLO GY	P	POLO GY	POLO GY	P	POLO GY	ABSE NT	ABSE NT	P	ABSE NT	P	P	11	46	36	18
30. Cllr. Zani Ngozi	ABS ENT	Absent	P	P	P	ABSEN T	P	ABSEN T	P	ABSEN T	P	ABSEN T	P	POLO GY	11	55	9	36
31. Cllr. Zola Gavini	Cllr. Gavini REPLACED Cllr. BALINDLELA															4	100	0
32. Traditional Leader: Mr. M. Ullana	ABSEN T	ABSEN T	ABSEN T	ABSEN T	P	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	11	18	0	82
33. Traditional Leader: Ms. P. Gaika	ABSEN T	ABSEN T	P	P	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	ABSEN T	11	27	0	73

APPENDIX B: COUNCIL COMMITTEES (Other than Mayoral/ Executive Committee) and Purposes of the Committees

Municipal Committees		Purpose of Committee
Budget and Treasury		The purpose of the Budget and Treasury Standing Committee as a Section 79 Committee of Council is to:-
		Provide Political Leadership by being responsible for Policy outcomes, oversight and holds the Chief Financial Officer accountable for
		Performance by regular and consistent reporting to Council through the Committee.
Service Delivery		
		Report on Progress and Challenges on Capital Projects.
		Report on work done as per the Maintenance programme of Roads, also alerting the committee of the repairs done on Machinery
		That might have caused delays in the Programme.
		Challenges in the Department in General.
		Amount of Jobs created.
Development and Planning		The response time in repairing any complaints from the Community.
		Report on Budget Expenditure.
		To create a conducive environment for business to invest at Amahlathi area.
		To encourage business to create jobs in order to reduce unemployment.
		To promote SMME's and co-operatives within Amahlathi.
Community Services		To promote tourism as a vehicle for Job creation within Amahlathi.
		To support emerging farmers that are within Amahlathi and link them with business in order to sell their products.
		To provide accessible, affordable, equitable and sustainable service as well as a healthy environment to residents and business operating in the Amahlathi Local Municipality.
		To contribute towards a safe and secure environment.

Municipal Committees	Purpose of Committee
	To promote a clean and healthy environment.
	To promote a culture of reading and learning.
	To ensure that Public Amenities are improved and well managed.
Corporate Services	To oversee the proper, efficient and effective operations of Human Resources and Administration Department.
	To ensure that Policy Formulation and recommendation from both Sections are in line with vision and mission of the municipality as well as
	Compliant with National and Provincial Legislation.
	To represent employer component in Provincial Institution Cluster of SALGA, Amathole District Municipality
	To champion good working relations between the employer and employee component of the municipality.
	To ensure that Departmental goals and Departmental Budget are aligned.
	To devise programs for imparting of skills to Stakeholders within the municipal area.
	To oversee that proper employment procedures are undertaken without disadvantaging anyone.

APPENDIX C: THIRD TIER STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
EXECUTIVE SERVICES	DR. Z. SHASHA
BUDGET AND TREASURY OFFICE	MS. B. NGWENDU
CORPORATE SERVICES DEPARTMENT	MS. N. NQULO
ENGINEERING SERVICES DEPARTMENT	MS. N. DLOVA
COMMUNITY SERVICES DEPARTMENT	MS. A. NOHOLOZA
PLANNING AND DEVELOPMENT DEPARTMENT	MR. S. MNWEBE
Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2 (T2.2.2).	
T C	

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

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Public places	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes	Yes
Street trading	Yes	Yes
Street lighting	Yes	Yes
Traffic and parking	Yes	Yes
<i>* If municipality: indicate (yes or No); * If entity: Provide name of entity</i>		

APPENDIX E: WARD REPORTING

Ward Name (Number)	Name of Ward Councillor and elected Ward Committees 2023-2024	Name of Ward Councillor and elected Ward Committees June 2024-2025	Committee established (Yes /NO)	Number of Committee meetings held during the year	Number of quarterly reports submitted to the Speaker on time	Number of quarterly public meeting held during year
WARD 1	Cllr N.Mkiva 1.Phila Zini 2.Sandla Soka 3.David Nkosinathi Mzili 4.Loyiso Bazi 5.Yoliswa Fikelepi 6.Noluthando Gwane 7.Nosibusiso Vumindaba 8.Ovayo Ndlangalavu 9.Sandisiwe Nzwanana 10.Thembakazi Gege	Cllr N.Mkiva 1.Phila Zini 2.Sandla Soka 3.David Nkosinathi Mzili 4.Loyiso Bazi 5.Fikiswa Lugwali 6.Noluthando Gwane 7.Nosibusiso Vumindaba 8.Ovayo Ndlangalavu 9.Sandisiwe Nzwanana 10.Thulani Magingxa	YES	10	4	4
WARD 2	Cllr Z.Qonto 1.Khanyisa Khumbaca 2.Nobesuthu Zolidayi 3.Nomalulama Manyika 4.Sophumelela Mfecane 5.Gcobani Matutu 6.Simphiwe Kulati 7.Aviwe Rolisisu 8.Kwakhanya Mpange 9.Mongameli Rode 10.Athenkosi Ganjana	Cllr Z.Qonto 1.Khanyisa Khumbaca 2.Nobesuthu Zolidayi 3.Nomalulama Manyika 4.Sophumelela Mfecane 5.Gcobani Matutu 6.Simphiwe Kulati 7.Aviwe Rolisisu 8.Kwakhanya Mpange 9.Mongameli Rode 10.Athenkosi Ganjana	YES	10	4	4
WARD 3	Cllr N.Nyangwa 1.Ayanda Faniso 2.Thozama Sweetness Mhluzi 3.Nompumezo Socishe 4.Nomakholwa Petronela Zotshe 5.Kwandiwe Gida 6.Zimasa Mti 7.Mfuyo Jumba 8.Nkosabantu Busika 9.Nandipha Sweetness Nyovane 10.Luleka Nonzame Matsoyiyane	Cllr N.Nyangwa 1.Ayanda Faniso 2.Thozama Sweetness Mhluzi 3.Nompumezo Socishe 4.Nomakholwa Petronela Zotshe 5.Thembisa Gida 6.Zimasa Mti 7.Mfuyo Jumba 8.Nkosabantu Busika 9.Nandipha Sweetness Nyovane 10.Luleka Nonzame Matsoyiyane	YES	10	4	4
WARD 4	Cllr N.Charlie 1.Nocwaka Nonyongo 2.Bongeka Phendu 3.Wandile Lalo	Cllr N.Charlie 1.Nocwaka Nonyongo 2.Bongeka Phendu 3.Wandile Lalo	YES	10	4	4

	4.Thobela Qoto 5.Yongama Feni 6.Sibusiso Nojoko 7.Melikhaya Nqaba 8.Kholiwe Mabunzane 9.Thabiso Mohautse 10.Wanga Lihleli Dlai	4.Thobela Qoto 5.Yongama Feni 6.Sibusiso Nojoko 7.Melikhaya Nqaba 8.Kholiwe Mabunzane 9.Thabiso Mohautse 10.Wanga Lihleli Dlai				
WARD 5	Cllr N.Klaas 1.Thobeka Mevi 2.Dumisa Khepu 3.Mninawa Richard Mbolekwa 4.Yoliswa Mancam 5.Zukile Tadeus Madolwana 6.Mlindeli Thandiwe 7.Ntombekhanyo Rululu 8.Sihle mpahla 9.Zinzi Ngalo 10.Nomakhosazana Sili	Cllr N.Klaas 1.Thobeka Mevi 2.Dumisa Khepu 3.Mninawa Richard Mbolekwa 4.Yoliswa Mancam 5.Zukile Tadeus Madolwana 6.Makuthulwe Gerrard Vellem 7.Ntombekhanyo Rululu 8.Sihle mpahla 9.Zinzi Ngalo	YES	10	4	4
WARD 6	Cllr M.Busakwe 1.Zimasa Patricia Sokuyeka 2.Lukhanyo Jaji 3.Ntombekhaya Manoni 4.Marlon Curtis Jacobs 5.Gavin Ignatius Jacobs 6.Nontেকেলো Josephine Xinyiwe 7.Ntomboxolo Gqwaka 8.Gudiswa Matomela 9.Zoliswa Mpangise 10.Zukiswa Jongilanga	Cllr M.Busakwe 1.Lukhanyo Jaji 2.Ntombekhaya Manoni 3.Marlon Curtis Jacobs 4.Gavin Ignatius Jacobs 5.Nontেকেলো Josephine Xinyiwe 6.Ntomboxolo Gqwaka 7.Gudiswa Matomela 8.Zoliswa Mpangise 9.Zukiswa Jongilanga	YES	10	4	4
WARD 7	Cllr Z.Mfulana 1.Akhona Geza 2.Babalwa Bhuqekile 3.Fundile Gebe 4.Nozipho Manyonga 5.Phumza Jaji 6.Zuziwe Lwana 7.Neliswa Nyhwagi 8.Mandilakhe Ngcukana 9.Sondezwa Mxayiya 10.Zoleka Mabetha	Cllr Z.Ngozi 1.Akhona Geza 2.Babalwa Bhuqekile 3.Fundile Gebe 4.Nozipho Manyonga 5.Phumza Jaji 6.Zuziwe Lwana 7.Neliswa Nyhwagi 8.Mandilakhe Ngcukana 9.Sondezwa Mxayiya 10.Zoleka Mabetha	YES	10	4	4
WARD 8	Cllr X.Neti 1.Bulelwa Tela 2.Sydney Mbekeni 3.Londoza Lillian Cengani 4.Nelson Kondile 5.Thobeka Veronica Songololo 6.Nomasixole Ngangelizwe 7.Nosiphiwo Mvolontshi 8.Bayanda Mketshana	Cllr X.Neti 1.Bulelwa Tela 2.Sydney Mbekeni 3.Londoza Lillian Cengani 4.Nelson Kondile 5.Thobeka Veronica Songololo	YES	8	4	4

		6.Nomasixole Ngangelizwe 7.Nosiphiwo Mvolontshi 8.Bayanda Mketshana				
WARD 9	Cllr M.Nqini 1.Nonkosi Sibawu 2.Thozama Dyosi 3.Zukisani Tshudu 4.Veliswa Lwana 5.Xolani Mpingelo 6.Ziyanda Butsha Sinyamba 7.Nandipha Maneli 8.Busisiwe Miranda Mzondi 9.Zoleka Mbekeni 10.Zameka Sotyantsi	Cllr M.Nqini 1.Nonkosi Sibawu 2.Thozama Dyosi 3.Zukisani Tshudu 4.Veliswa Lwana 5.Xolani Mpingelo 6.Ziyanda Butsha Sinyamba 7.Nandipha Maneli 8.Busisiwe Miranda Mzondi 9.Zoleka Mbekeni 10.Zameka Sotyantsi	YES	10	4	4
WARD 10	Cllr M Neku 1.Simphiwe Majiki 2.Sinoxolo Wilberforce Dyantyi 3.Bukelwa Sooi 4.Buntu Masonwabe Mpondo 5.Thabisa Mhlahlo 6.Nomalizo Mkhefe 7.Phumzile Mbaza 8.Mamela Makhongolo 9.Nomfusi Sthetho 10.Siphamandla Qaba	Cllr M Neku 1.Simphiwe Majiki 2.Sinoxolo Wilberforce Dyantyi 3.Bukelwa Sooi 4.Buntu Masonwabe Mpondo 5.Thabisa Mhlahlo 6.Nomalizo Mkhefe 7.Phumzile Mbaza 8.Mamela Makhong 9.Siphamandla Qaba	YES	10	4	4
WARD 11	Cllr N.Sidinana 1.Cordelia Nosipho 2.Makuzeni 3.Mhleli Hejane 4.Mazande Ndesi 5.Cornia Nontando Kasba 6.Nomsebenzi Gloria Lantu 7.Zamekile Blom Simon Feni 8.Yandiswa Ngemntu 9.Nozuko Ngamlana 10.Thandiwe Virginia Magwaca	Cllr S.Mqwebedu-Matini 1.Cordelia Nosipho.Makuzeni 2. Luyanda Mbuqwa 3.Cornia Nontando Kasba 4.Nomsebenzi Gloria Lantu 5.Yandiswa Ngemntu 6.Nozuko Ngamlana 7.Thandiwe Virginia Magwaca. 8. Loraine Nomzamo Mtyi 9. Ntsikane Mesele 10.. Pelisa Xamtwana	YES	10	4	4
WARD 12	Cllr P.Simandla 1.Khanyiswa Mazosiwe 2.Anele Tole 3.Mandla Victor Mditshwa 4.Norah Ntshanta 5.Thembelani Makisi 6.Velisani Dumezweni	Cllr P.Simandla 1.Aviwe Mbekeni 2. Sibulele Gede 3. Thando Loliwe 4.Norah Ntshanta 5.Velisani Dumezweni	YES	10	4	4

	7.Charles Sibuyile Maqaqa 8.Nopinki Gloria Skeyi 9.Yandiswa Mhanya 10.Thozamile Ascension K Humbaca	6.Charles Sibuyile Maqaqa 7.Nopinki Gloria Skeyi 8.Yandiswa Mhanya 9. Loyiso PHEME 10. Simphiwe Mangxola				
WARD 13	Cllr N.Ncevu 1.Sivuyile Cetwayo 2.Monde Mzimba 3.Lindelwa Mbandezi 4.Sipho Patric Ntuthu 5.Bonelwa Nikani 6.Yandiswa Thembani-Siswani 7.Vuyelwa Veronica Nyamakazi 8.Vuyo Jakuja 9.Akhona Sontaba 10.Melikhaya Gladman Goniwe	Cllr N.Ncevu 1.Sivuyile Cetwayo 2.Lindelwa Mbandezi 3.Sipho Patric Ntuthu 4.Bonelwa Nikani 5.Yandiswa Thembani-Siswani 6.Vuyelwa Veronica Nyamakazi 7.Vuyo Jakuja 8.Akhona Sontaba 9.Melikhaya Gladman Goniwe	YES	10	4	4
WARD 14	Cllr M.Maweni 1.Caciswa Portia Mjali 2.Zandile Mavela 3.Mangaliso Bhatayi 4.Thembile David Tyelentombi 5.Siphokazi Sinxolo Hlanganise 6.Desmond Dyosi 7.Luxolo Magalela 8.Nomthandazo Mbolani 9.Fundiswa Patricia Sofatsha 10.Zukiswa Silere	Cllr M.Maweni 1.Caciswa Portia Mjali 2.Zandile Mavela 3.Mangaliso Bhatayi 4.Thembile David Tyelentombi 5.Siphokazi Sinxolo Hlanganise 6.Desmond Dyosi 7.Luxolo Magalela 8.Nomthandazo Mbolani 9.Fundiswa Patricia Sofatsha	YES	9	4	4
WARD 15	Cllr N.Salaze 1.Luxolo Ncumani 2.Zola Gavini 3.Gcobani Gwebushe 4.Nobuntu Mbende 5.Thembisile Mavela 6.Babalwa Kwanini 7.Makhwenkwe Gwebani 8.Prince Qinga 9.Thembisa Nkangala 10.Nombulelo Mbekeni	Cllr N.Salaze 1.Luxolo Ncumani 2.Zola Gavini 3.Gcobani Gwebushe 4.Nobuntu Mbende 5.Thembisile Mavela 6.Babalwa Kwanini 7.Makhwenkwe Gwebani 8.Prince Qinga 9. Zolile Ntshoko 10.Nombulelo Mbekeni	YES	10	4	4

APPENDIX F: MUNICIPAL AUDIT COMMITTEE RECOMMENDATIONS

2023/24 AUDIT COMMITTEE RESOLUTIONS				
Item #	MATTERS RAISED	DATE OF AC MEETING	RESPONSIBILITY	Progress by Management as at 22 July 2025
1	<p>Section 52D Reports - Employee Costs AC recommended that the Municipality needs to cut costs in terms of employee costs.</p> <p>AC clarified the resolution relating to employee costs. AC suggested that the municipality should have a strategic plan in place regarding this matter which will indicate how much the municipality can afford and what actions the municipality will take to achieve that.</p>	24 October 2023 25 July 2023	Director : Corporate Services / BTO	<p>In progress</p> <p>Standardisation Reversal was implemented. Full assessment regarding the 40% will be conducted when the matter is finalised. There are still engagements between the Municipal Attorneys and the Leagal Representatives of the employees in Court.</p>
				Not provided by Management

2	Financial Recovery Plan (FRP) and Revenue Enhancement Strategy (RES) Upon review of Internal Audit Reports relating to implementation of Financial Recovery Plan and Revenue Enhancement Strategy, Audit Committee recommended that Management must develop a plan to address POE challenges.	24 April 2024	Municipal Manager / CFO	Implemented	n/a
3	Financial recovery plan and Revenue Enhancement Strategy AC recommended that Management should look at consolidating the FRP and RES because they serve one purpose (Revenue Enhancement) and some activities are duplicated.	24 April 2024	Municipal Manager/ CFO	Implemented	n/a

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4	Staff seconded to IDP/PMS Office to be capacitated AC recommended that the seconded staff members that are assisting at IDP/PMS Unit should be capacitated on the following areas; *Requirements of a good indicator *SMART Principles *4Es	25 July 2023	GM Director Corporate Services	Implemented	n/a
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2024/25 AUDIT COMMITTEE RECOMMENDATIONS					
Item #	MATTERS RAISED	DATE OF AC MEETING	RESPONSIBILITY	Progress by management as at 22 July 2025	IMPLEMENTATION DATE
1	2025/26 IDP AC recommended that there should be an executive summary on the IDP which will cover co-components of the IDP to give stakeholders an overview of the IDP.	25 June 2025	General Manger	In progress The inclusion of the executive summary on the IDP will be considered in the process of the 2025/26 financial year. The council has already adopted the IDP in line with components outlined in the legislation.	30 March 2026
2	2024/25 Annual Performance Report Preparational Plan AC recommended that the Annual Performance Report Preparational Plan should include a column for an	25 June 2025	General Manger	Implemented. The plan now indicates officials or unit that is responsible for each action.	21 July 2025

	official responsible for each Action/Progress made.					
3	<p>2025/26 SDBIP</p> <ul style="list-style-type: none"> • AC Recommended that there should be additional KPI's to accommodate media and public participation. • AC recommended that the should be a budget per quarter to address the issue of efficiency. • AC noted that the target in row 62 of the SDBIP is not adequate it does not improve audit outcome or improve internal controls it should rather address the implementation of AC recommendation. 	25 June 2025	General Manger	<p>There are already two KPIs talking media and public participation.</p> <p>The matter was discussed in the meeting and clarified. The SDBIP is meant to be read together with the budget. The budget provides for monthly projections on expenditure. The section 71 report which is used to measure financial performance against the performance. In addition the section 52d reports reflect both financial and non-financial performance.</p>	n/a	
4	<p>Implementation of AGSA Audit Action Plan</p> <p>AC recommended that all the actions needs to be implemented.</p>	25 June 2025	CFO	<p>The Audit Action is implemented and reported to Council committees on a quarterly basis.</p>	18 August 2025	
5	<p>MMs update - Vehicle Accidents</p> <p>AC recommended that the municipality should conduct investigation for both accidents to determine whether there was any negligence, for example over speeding, drunken driving etc, then if so, the responsible people be</p>	22 April 2025	MM Director Corporate Services	<p>In progress</p> <p>Accident Investigations are always conducted inclusive of the Police Report and Vehicle Management system report which checks speeding, etc. These are mandatory for insurance purposes as well, hence they are compulsory reports. With the</p>	In progress	

	liable to pay excess fee and be recorded as Fruitless and Wasteful expenditure.				new fleet management system that will be installed with cameras, further investigations shall be accessible to the municipality	
6	Finance Reports - Section 52 D Report AC recommended that the CFO should contact the Audit Committee Chairperson so that they can discuss way forward on how to make the Section 52D Reports user friendly for the Council and other non-financial users.	22 April 2025	CFO	In progress Not contacted the Chairperson yet, S52d is the compliance report written by National Treasury which it will be difficult to change the format.	Not provided	
7	Finance Reports - Implementation of SCM Policy AC further recommended that the Deviation Register should include more detailed information on the column for reasons provided	22 April 2025	CFO	In progress BTO is busy analysis the deviation register for completeness for 2024/25.	31 August 2025	
8	Performance Report AC recommended that the quarterly performance report should be revised to indicate progress on implementation of targets that were previously reported as not achieved.	22 April 2025	General Manager	In progress The update on targets not achieved will be reported on in the first section of the report. The report of the 1st quarter 2025/26 will reflect on this.	31 October 2025	

9	Performance Information AC recommended that for 2025/26 planning, the municipality should have column for quarterly budget and quarterly expenditure for each target.	22 April 2025	General Manager	The matter was discussed in the meeting and clarified. The SDBIP is meant to be read together with the budget. The budget provides for monthly projections on expenditure. The section 71 report which is used to measure financial performance against the performance. In addition the section 52d reports reflect both financial and non-financial performance.	n/a
10	Follow up Audits It was recommended that Register of Internal Audit findings should be a standing item on monthly Management Committee Meetings.	22 April 2025	MM	Implemented The internal audit manager sits on the management committee. The agenda of the meetings will accommodate the report.	n/a
11	Finance Reports It was resolved that CFO will prepare a proposal for a six-year arrangement with ESKOM to pay off the R35 million debt.	18 February 2025	CFO	This was not a resolution for the committee, this matter was an update on my report that we have already have an agreement with Eskom and payment arrangement are done, so im not sure why is recorded as resolution.	31 January 2025
12	Finance Reports The municipality needs to engage with the Provincial Treasurer to include the Office of the Premier in discussions regarding departments that owe money to the municipality.	18 February 2025	CFO	During the budget Assessment with PT , this matter was discussed and subsequent to that PT requested Age Analysis for Government Department as they had a session with CFO's. We have notice a commitment of payments from other department except for Rural Department.	Not provided

13	Finance Reports Municipality need to also develop a payment plan for Auditor- General South Africa, Medical Aid and Pensions.	18 February 2025	CFO	The municipality is paying all its 3rd parties on monthly basis , we do not need a payment plan and also we AGSA we have apid all the invoices.	Not provided
14	Finance Reports AC recommended that management should include more details on Property Rates and Service Charges to elaborate the differences.	18 February 2025	CFO	<p>The recommendation is not clear. Information provided per the C4 scheduled should be increased. The information provided for property rates and services charges are as prescribed in terms of the C4 Schedule, no additional information can be provided</p> <p>Information relating to the reason for differences should be increased. More detail is required from the Audit Committee. The information provided per the naration report are a summary of the reason for the variances (net effect). More detail could require differences per consumer category per service charge or per geographical area (town). Your assistance will be appreciated.</p>	Not provided
15	New traffic testing centres AC recommended that there should be a development of targets relating to the two traffic testing centres that are opened.	22 January 2025	Director: Community Services	Implemented Traffic Services targets have been set under the KPA on MFV in the Financial improvement plan for 2025/26 financial year	n/a

16	<p>Quarter 1 Performance Management Report AC recommended that management must schedule a date for the discussion of the report with the a specialised Audit Committee member.</p> <p>AC further recommended that the meeting should also discuss and resolve the disagreements in findings raised by the internal audit Unit</p>	28 October 2024	General Manager/ Internal Audit Manager	Implemented	n/a
17	<p>Training of ICT Steering Committee AC recommended for the date scheduling of training for the ICT Steering Committee</p>	28 October 2024	Director : Corporate Services	Implemented	n/a

APPENDIX G: DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July 2024 to 30 June of Year 2025		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Cllr N Nongqayi	Nil
Member of EXCO	Cllr. P Qaba	Nil
	Cllr. NP Mlahleki	Nil
	Cllr. B Xongwana	Nil
	Cllr. XM Tokwe	Nil
	Cllr. NA Kato-Manyika	Nil
	Cllr. RB. Pickering	Nil
Councillor	Cllr. ZA Qonto (MPAC Chair)	Nil
	Cllr. PM Onceya-Sauti	Nil
	Cllr. P Budaza	Nil
	Cllr. N Ngxakangxaka	Nil
	Cllr. RB Pickering	Nil
	Cllr. N Mbulana	Nil
	Cllr. M Gantsho	Nil
	Cllr. NV Mjandana	Nil
	Cllr. NC Mkiva	Nil
	Cllr. N Nyangwa	Nil
	Cllr. N Charlie	Nil
	Cllr. NZ Klaas	Nil
	Cllr. M Busakwe	Nil
	Cllr. Z Gavini	Nil
	Cllr. X Neti	Nil
	Cllr. M Nqini	Nil
	Cllr. M Neku	Nil
	Cllr. Z. Ngozi	Nil
	Cllr. PA Simandla	Nil
	Cllr. N Ncevu	Nil
	Cllr. ME Maweni	Nil
	Cllr. N Salaze	Nil
	Cllr. O Mgunculu	Nil
	Traditional Leader P. Gaika	Nil
	Traditional Leader NJ. Ulana	Nil
Municipal Manager	Dr. Z Shasha	Nil
Chief Financial Officer	Mrs. B. Ngwendu	Nil

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Directors	Mr. S Mnweba	Nil
	A Noholoza	Nil
	N Ngulo	Nil
	N Dlova	Nil
Other S57 Officials		
* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A		
T J		

APPENDIX H: REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
Vote Description	Year 2023/24	Current: Year 2024/25			Year 2024/25 Variance	
	Actual	Original Budget	Adj Budget	Actual	Original Budget	Adj Budget
Vote 1 - Executive & Council	127 287	139 976	142 657	145 234	4%	2%
Vote 2 - Budget & Treasury						
Office	39 758	27 631	28 423	43 298	36%	34%
Vote 3 - Corporate Services	–	–	–	–	0%	0%
Vote 4 - Planning & Development	33 129	32 991	61 041	48 975	33%	-25%
Vote 5 - Community & Social Services	–	1 380	1 428	6 120	77%	77%
Vote 6 - Housing	4 728	53	53	505	90%	90%
Vote 7 - Public Safety	117	5 001	5 001	4 959	-1%	-1%
Vote 8 - Sport & Recreation	–	–	–	–	0%	0%
Vote 9 - Waste Management	5 047	17 346	21 627	12 613	-38%	-71%
Vote 10 - Road Transport	35 562	5 512	6 182	5 232	-5%	-18%
Vote 11 - Electricity	11 661	41 674	45 307	46 291	10%	2%
Vote 12 - Environmental Protection		212	328	144	-47%	-128%
Total Revenue by Vote	257 289	271 776	312 047	257 647		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						
T K.1						

APPENDIX I: LONG TERM CONTRACTS

Long Term Contracts (20 Largest Contracts Entered into during Year 2024/25)					
					R' 000
Name of Service Provider (Entity or Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
None					
					<i>TH.1</i>

Public Private Partnerships Entered into during Year 2024/25					
					R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2024/25
None					
					<i>TH.2</i>

APPENDIX J: MUNICIPAL ENTITY

Municipal Entity/Service Provider Performance Schedule									
Name of Entity & Purpose (i)	(a) Service Indicators	Year 0		Year 1		Year 2	Year 3		
	(b) Service Targets	Target	Actual	Target	Actual		Target		
		*Previous Year (iii)		*Previous Year (v)	*Current Year (vi)		*Current Year (viii)	*Current Year (ix)	*Following Year (x)
N/A									

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Note: This statement should include no more than the top four priority indicators. * 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; *'Current Year' refers to the targets set in the Year 0 Budget/IDP round. *'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.

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APPENDIX K: REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
Description	R '000					
	Year 2023/24	Year 2024/25			Year 2024/25 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adj Budget
Property rates	22 178	24 424	24 424	24 168	-1%	-1%
Property rates - penalties & collection charges	38 857	41 674	45 307	45 966	9%	1%
Service Charges - electricity revenue	-	-	-	-	0%	0%
Service Charges - water revenue	-	-	-	-	0%	0%
Service Charges - sanitation revenue	-	-	-	-	0%	0%

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Service Charges - refuse revenue	10 856	12 320	12 707	11 558	-7%	-10%
Service Charges - other	–	5 634	5 841	5 238	-8%	-12%
Rentals of facilities and equipment	171	100	291	500	80%	42%
Interest earned - external investments	366	1 158	3 710	3 445	66%	-8%
Interest earned - outstanding debtors	8 182	11 849	14 527	15 177	22%	4%
Dividends received	–	–	–	–	0%	0%
Fines	12	27	27	12	-125%	-125%
Licences and permits	1 780	2 252	2 922	2 481	9%	-18%
Agency services	1 059	1 829	1 829	1 343	-36%	-36%
Transfers recognised - operational	121 995	138 420	138 309	138 142	0%	0%
Other revenue	5 037	862	474	19 154	95%	98%
Gains on disposal of PPE	1 005	–	–	–	0%	0%
Total Revenue (excluding capital transfers and contributions)	211 499	240 449	250 078	267 184	10%	6%

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.

T K.2

APPENDIX L: CONDITIONAL GRANTS EXCLUDING MIG

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adj Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						

Other Specify:						
FMG Grant	2 200 000	2 200 000	2 200 000	0%	0%	Yes
MSIG Grant	–	–	–	0%	0%	Yes
EPWP Grant	1 211 000	1 511 000	1 511 000	25%	0%	Yes
Equitable Share	138 370 000	138 370 000	138 370 000	0%	0%	Yes
PMU 5%	1 870 150	1 870 150	1 870 150	0%	0%	Yes
Disaster Relief Grant	19 145 000	33 377 199	33 564 699	75%	1%	
Provincial						
Library Grant	1 792 000	1 792 000		0%	0%	Yes
Total	164 588 150	179 120 349	177 515 849	8%	-1%	

* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.

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APPENDIX M: Capital Expenditure - New Assets Programme

Capital Expenditure - New Assets Programme*							R '000
Description	Year 2024/25			Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2024/25	FY + 2025/26	FY + 2026/27	
Capital expenditure by Asset Class							
Infrastructure - Total	33 877	65 477	50 310	-	-	-	
Infrastructure: Road transport - Total	5 426	36 228	19 147	-	-	-	
Roads	5 426	36 228	19 147				
Capital Spares							
Infrastructure: Electricity - Total	-	-	-	-	-	-	
Power Plants							
LV Networks	-	-	-				
Capital Spares	-	-	-				
Infrastructure: Water - Total	-	-	-	-	-	-	
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-		-	-	-	-	
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	2 526	7 867	-	-	-	
Waste Management	-	2 526	7 867				
Transportation							
Gas							
Other							

Community - Total	25 901	24 156	20 789	-	-	-
Halls			2 487			
Centres	25 901	24 156	17 976			
Crèches						
Clinics/Care Centres						
Fire/Ambulance Stations						
Testing Stations						
Museums						
Galleries						
Theatres						
Libraries						
Cemeteries/Crematoria						
Police						
Purls						
Public Open Space			326			
Table continued next page						

Capital Expenditure - New Assets Programme*						
Description	Year 2024/25			Planned Capital expenditure		
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2024/25	FY + 2025/26	FY + 2026/27
Capital expenditure by Asset Class						
Heritage assets - Total	-	-	-	-	-	-
Buildings						
Other						
Investment properties - Total		600		-	-	-

Housing development									
Other		600							
Other assets	2 550	1 967	2 332	-	-	-			
General vehicles	2 200	557	557						
Specialised vehicles									
Plant & equipment			1 368						
Computers - hardware/equipment	350	910	403						
Furniture and other office equipment		500	4						
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings									
Other Land									
Surplus Assets - (Investment or Inventory)									
Other	-	-	-	-	-	-			
Agricultural assets									
List sub-class									
Biological assets									
List sub-class									
Intangibles									
Computers - software & programming	-	-	-	-	-	-			
Other (list sub-class)									

Total Capital Expenditure on new assets	33 877	65 477	50 135	-	-	-
Specialised vehicles	-	-	-	-	-	-
Refuse						
Fire						
Conservancy						
Ambulances						

* Note: Information for this table may be sourced from MBRR (2009; Table SA34a)

T M.1

Capital Expenditure - Upgrade/Renewal Programme*						R '000
Description	Year 2024/25		Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2024/25	FY + 2025/26	FY + 2026/27
Capital expenditure by Asset Class						
Infrastructure - Total	175	175	175	-	-	-
Infrastructure: Road transport - Total	-	-	-	-	-	-
Roads, Pavements & Bridges						
Storm water						
Infrastructure: Electricity - Total	175	175	175	-	-	-
Power Plants						
LV Networks						
Capital Spares	175	175	175	-	-	-
Infrastructure: Water - Total	-	-	-	-	-	-
Dams & Reservoirs						
Water purification						

<i>Reticulation</i>	-	-	-	-	-	-	-
Infrastructure: Sanitation - Total							
<i>Reticulation</i>							
<i>Sewerage purification</i>							
Infrastructure: Other - Total	-	-	-	-	-	-	-
<i>Waste Management</i>	-		-				
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
Community	-	-	-	-	-	-	-
<i>Parks & gardens</i>							
<i>Sportsfields & stadia</i>	-	-	-	-	-	-	-
<i>Swimming pools</i>	-	-	-	-	-	-	-
<i>Community halls</i>	-	-	-	-	-	-	-
<i>Libraries</i>	-	-	-	-	-	-	-
<i>Recreational facilities</i>	-	-	-	-	-	-	-
<i>Fire, safety & emergency</i>	-	-	-	-	-	-	-
<i>Security and policing</i>	-	-	-	-	-	-	-
<i>Buses</i>	-	-	-	-	-	-	-
<i>Clinics</i>	-	-	-	-	-	-	-
<i>Museums & Art Galleries</i>	-	-	-	-	-	-	-
<i>Cemeteries</i>	-	-	-	-	-	-	-
<i>Social rental housing</i>	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-
<i>Buildings</i>							
<i>Other</i>							

Table continued next page						
Table continued from previous page						
Capital Expenditure - Upgrade/Renewal Programme*						R '000
Description	Year 2024/25		Planned Capital expenditure			
	Original Budget	Adjustment Budget	Actual Expenditure	FY + 2024/25	FY + 2025/26	FY + 2026/27
Capital expenditure by Asset Class						
<u>Investment properties</u>						
Housing development	-	-	-	-	-	-
Other						
<u>Other assets</u>						
General vehicles	-	-	-	-	-	-
Specialised vehicles						
Plant & equipment						
Computers - hardware/equipment						
Furniture and other office equipment						
Abattoirs						
Markets						
Civic Land and Buildings						
Other Buildings						
Other Land						
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-
Other						
<u>Agricultural assets</u>						
List sub-class	-	-	-	-	-	-

Biological assets	-	-	-	-	-	-	-
<i>List sub-class</i>							
Intangibles	-	-	-	-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on renewal of existing assets	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
<i>* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)</i>							<i>T M.2</i>

APPENDIX N: CAPITAL PROGRAMME

Capital Programme by Project: Year 2024/25							R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %		
Executive & Council							
Vehicles	750	752	558	-35%	-34%		
Budget & Treasury							
Furniture and Office Equipment	-	150	4	-3650%	0%		
Corporate Services							
Computer Equipment	150	727	404	-80%	63%		
Waste Management							
Landfill Site	1 550	2 578	7 867	67%	80%		
Road Transport							
Machinery and Equipment	50	254	1 367	81%	96%		
Electricity							
Electricity Projects	-	173	-	0%	0%		
Project Management Unit							
MIG Projects	30 377	29 231	25 419	-15%	-20%		
Other Projects	-	30 285	14 692	-106%	0%		
Town Halls and Municipal Buildings							
Buildings	1 000	1 500	-				
	33 877	65 650	50 311				

APPENDIX O: Capital Programme by Project by Ward:

Capital Programme by Project by Ward: Year 24/25		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Paving Xholorha internal Streets	13	No
Revamp and Renovation of Municipal Offices	13	No
Keiskammahoek Recreation centre	1	Yes
Mbaxa Community Hall	7	Yes
Mlungisi Sports field Phase 3	15	Yes
Phumlani community Hall (planning)	2	No
Mandlakapheli, Langdraai Roads and Stormwater	4	Yes
Rhawini to Bhongweni Roads and Stormwater	5	Yes
Stutterheim Landfill Road and Storm water	13	Yes
Mlungisi Township (Mbulelo Ndondo, Old Location and Mzamomhle) Roads and Stormwater	14	Yes
Amabele, Gasela, Stanhorpe and Jerseyvale Roads and Stormwater	9	Yes
Kubusie and Ohlsen Roads and Stormwater	6	Yes
Upper and Lower Ngqumeya and Tshoxa Roads and Stormwater	10	Yes
Stutterheim Landfill site road	13	Yes
Phumlani,Bumbane & Kom internal roads	2	Yes
Goshen roads	4	Yes
Cenyulands road	15	Yes
Peer to Nxawe,Nxawe to Matsa roads in Ethembeni	7	Yes
Sophumelela Ngxondorheni internal roads	1	Yes
Construction of Keiskammahoek Roads (STR) - Tender Document	1	Yes
Construction of Stutterheim Roads (STR) - Tender Document	13	Yes

Electricity		
Pre engineering-Upgrade of Cathcart Substation 24/25	Whole Cathcart	yes
Pre Engineering-Upgrade of Stutterheim Main intake substation 24/25	Whole Stutterheim	yes
EEDSM 24/25	13,9,8,4,6&5	yes
STR Stutterheim electrical project	Stutterheim town,Amatoleville,Mlungisi	no
STR Keiskammhoek electrical	Keiskammahoek town, Sphumelelo	no
Housing		
Refuse removal		
Storm water		
N/A		
Economic development		
Sports, Arts & Culture		
Mlungisi Sports field Phase 3	15	Yes
Environment		
Health		
Safety and Security		
ICT and Other		
TO		

[illegible]

APPENDIX Q: Service Delivery Backlog experienced by the community where another sphere of government is responsible for service provision

Services by Sector Departments	Services Implemented/Provided	Service Backlogs
Access to Sanitation	93%	5,9%
Access to Water	89.7%	10.3%
Electricity	85.9%	10,3% (New extensions)
Housing	459	3 172
Refuse Removal	30,8%	69,2%
Roads	18%	82%

ANNEXURE R: COGTA KEY PERFORMANCE INDICATORS**RE: REQUEST FOR THE CONSIDERATION OF KEY PERFORMANCE INDICATORS
IN THE ANNUAL REPORT FOR 2023/24 FINANCIAL YEAR**

The following is the list of indicators that were agreed upon and on how the performance information should be populated:-

CHAPTER: ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT –KPA 1

Annual performance as per key performance indicators in municipal transformation and organizational development.

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	18	11	61%	Positions that appeared on 2024/2025 financial year were eighteen (18) and Eleven (11) have been filled the other seven (7) that is left is currently on recruitment process.
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	6	100%	All positions that were vacant due to Expired contract have been filled and only one (1)resignation is in the recruitment process
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development	6	4	0	Due to municipal financial constraints the municipality relied on the LGSETA DG Funding for training of the managers.

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
	training course within the FY				
4	Percentage of Managers in Technical Services with a professional qualification	3	0	100%	There are no gaps identified
5	Level of effectiveness of PMS in the LM – (LM to report)	PMS has been cascaded to employees from TG12 and above.			
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5-year term	258	57		Submission was done by 57 Employees
7	Percentage of councillors who attended a skill development training within the current 5-year term	30	26		<p>No training has been conducted internally in the current financial year.</p> <p>COGTA and SALGA assisted the municipality with other workshops conducted for councillors in their respective sections as department Portfolio heads</p>

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
9	Percentage of staff complement with disability	4	5	125%	
10	Percentage of female employees	120	93	77.5%	Out of the 93 females, 12 females are employed as interns in various municipal departments.
11	Percentage of employees that are aged 35 or younger	44		16.5%	
12	Adoption and implementation of a District Wide/ Local Performance Management System				

CHAPTER: BASIC SERVICE DELIVERY PERFORMANCE HIGHLIGHTS (KPA 2)

Annual performance as per key performance indicators in Electricity services

	Indicator name	Total number of household/customers expected to benefit Total House Holds=34159	Estimated backlogs (actual numbers)	Target set for the f. year under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households with access to electricity services	24 269	3 429	20 840	20 840	100

2	Percentage of indigent households with access to basic electricity services	24 269	3 429	24 269	20 840	86
3	Percentage of indigent households with access to free alternative energy sources	24 269	886	886	886	100

Electricity – 2016 Community Survey as per the table above indicates that 92.7% of households at Amahlathi uses electricity for lighting compared to 87.4% calculated in the Census 2011 meaning there is a great improvement of about 5.3%.

Annual performance as per key performance indicators in road maintenance services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the f. year under review (Actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads	24 269	14 561	3 000	3 000	100
2	Percentage of road infrastructure requiring upgrade	980 km	487 km	4 km	2 km	50
3	Percentage of planned new road infrastructure	980 km	493 km	12 km	12 km	100

	actually constructed					
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	R 522 m	R 522m	R 26.2 m	R 26.2 m	100

Annual performance as per key performance indicators in waste management services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (actual numbers)	Target set for the financial year under review	Number of HH/customer reached	Percentage of achievement during the year
1.	No. of households and businesses with basic waste collection	29 994 House Holds	23 536 households and businesses with access to basic waste. (29 994 - 6458 = 23 536)	6458 households and businesses with access to basic waste	21,53% in the Amahlathi Municipality (6458 / 29 994 X 100 = 21.53%)	Percentage of households with access to refuse removal services 21.53%
2	Existence of waste management plan	<ul style="list-style-type: none"> Integrated Waste Management Plan (2022 – 2027) was approved by Council on the 25th of January 2023 and submitted to DEDEAT for endorsement by the MEC. 				

Annual performance as per key performance indicators in housing and town planning services

	Indicator name	Total number of household/customers expected to benefit	Estimated backlogs (Actual numbers)	Target set for the f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	4,4%	1527	N/A	N/A	0%
2	Percentage of informal settlements that have been provided with basic services	N/A	N/A	N/A	N/A	N/A
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	57%	19950	N/A	N/A	N/A
4	Existence of an effective indigent policy	There is Indigent policy that has been adopted, and it is reviewed annually.				
5	Existence of an approved SDF	Amahlathi Local Municipality Draft SDF has been gazetted in November 2022.				
6	Existence of Land Use Management System (LUMS)	The development of a SPLUMA compliant Wall to Wall Land Use Scheme has been conducted during the 2022/23 financial year.				

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)**Annual performance as per key performance indicators in LED**

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit	None	- No new recruitments	0%
2	Percentage of LED Budget spent on LED related activities.	None	None	None
3	Existence of LED strategy	Reviewed LED Strategy		
4	Number of LED stakeholder forum meetings held	8	<ul style="list-style-type: none"> - 2 LED Forum meetings - 3 Contractors meeting held - 4 Agricultural Forum Meeting held - 2 CTO's and LTO's meetings - 2 Hawkers meeting held - 3 Cooperative meeting held (Amahlathiwethu Secondary Co-op) - 3 meetings Amahlathi Farmers Association 	100%
5	Plans to stimulate second economy	<ul style="list-style-type: none"> - 3 business plans developed for 3 cluster towns - Target 2 twinning agreements with Strategic-Institutions in the EC 	<ul style="list-style-type: none"> - Cathcart small town revitalisation by ADM - Developer for the Keiskammahoek shopping complex has been appointed - MOU has been concluded with Lamsprange Municipality. - The municipality has entered into twinning agreements with African Sun Holdings. 	50%

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
			<ul style="list-style-type: none"> - MOU has been concluded with Fort Cox College - Stutterheim Master and Precinct Plan Developed and adopted by Council. - Action plan for Implementation of Stutterheim Master and Precinct Plan developed. 	
6	Percentage of SMME that have benefited from a SMME support program	<p>-Sub-contracting resolution has been taken by Council and is being implemented</p> <p>- 30% of Amahlathi budget allocated to local SMME's</p> <p>3 trainings conducted for Community Tourism Organisation (CTO) and Local Tourism Organisations (LTO'S)</p> <p>3 contractors subcontracted</p>	<ul style="list-style-type: none"> - Quarter 1 – 98 - Quarter 2 – 103 - Quarter 3 – 141 - Quarter 4 – 92 - 434 SMME's benefited on SMME Support Programs from all clusters - 55% of Amahlathi budget allocated to local SMME's - 4 training session conducted for CTOs & LTOs from the following - Quarter 1 – East London DSRAC CTOs - Quarter 2 – Kwazidenge CTOs - Quarter 3 – CATA CTOs - Quarter 4 – ZINGCUKA CTOs 	

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
		and benefited.		
		40 farmers to be supported with capacity building	<ul style="list-style-type: none"> - Quarter 1 – Formal Request submitted - Quarter 2 – Variance - Quarter 3 – Mlungisi Hall 48 on animal health - Quarter 4 – Mtiza Pty Ltd 23 on Animal Nutrition Annual Total number of Farmers 71	
		4 tourism events attended to provide access to market for Crafters	<ul style="list-style-type: none"> - Quarter 1 – State of Amahlathi Local Municipality Address dated 11 September 2024. - Quarter 1 – Andrea Dondolo Resilliance Walk event dated 30 September 2024 at Stutterm Grey Square - Quarter 2 - Cata Heritage event dated 23 November 2024. - Quarter 3 – The visiting of the Germans crafters was invited to exhibit their craft work - Quarter 4 - Craft and visual selection dated 20 May 2025. - Grahamstown National Art Festival 2025 - Quarter 1 - Heritage Celebration event 2023 (7km Hiking Trail) crafters were invited for 	

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
			<ul style="list-style-type: none"> - the exhibition of the craft work - Quarter 2 – Revival of Mgwali Cultural Village includes the craft work from the crafters - Quarter 3 – The visiting of the Germans crafters was invited to exhibit their craft work assurance - Quarter 4 – Amahlathi crafters have an opportunity to take part in the Grahamstown Arts Festival - Quarter 1 – need analysis of forestry activities - Quarter 2 – DFFE were 11 primary cooperative - Quarter 3 – 2 interventions support 1st by NTE 21 primary Cooperatives 2nd by working on fire 11 primary cooperatives - Quarter 4 – 2 Interventions support 1st DFFE 18 primary cooperatives 2nd NDFFE 71 primary cooperatives Annual total number for timber forestry = 132 	

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
7	Number of job opportunities created through EPWP	357 CYDP participants (Graduates, Interns, Learners and Apprentices)	453 CYDP participants (Graduates, Interns, Learners and Apprentices)	127%
8	Number of job opportunities created through PPP	n/a	n/a	n/a

CHAPTER: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name	Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
1	Percentage expenditure of capital budget	R 65 649 950	R 50 310 960	76.6%
2		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the operational budget
3	Salary budget as a percentage of the total operational budget (Including Councillor Allowances)	R149 313 610 / R309 640 890	R149 801 312 / R305 243 484	49%
4		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year vs the actual revenue
5	Total municipal own revenue as a percentage of the total actual budget	R111 768	R122 575	109.7%
6		Target set for the year R(000)	Achievement level during the year R(000)	Achievement percentage during the year
7	Rate of municipal consumer debt reduction	10 000	-R15 134	-151%
8	Percentage of MIG budget appropriately spent	R30 770	R30 770	100%
9	Percentage of MSIG budget appropriately spent	R 0	R 0	0%
10	AG Audit opinion	Unqualified	Unqualified	

11	Functionality of the Audit Committee	4 meetings	4 meetings	100%
12	Submission of AFS after the end of financial year	30 August 2024	30 August 2024	100%

CHAPTER: GOOD GOVERNANCE AND PUBLIC PARTICIPATION- (KPA 5)

No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	% war room	12 meetings	12	100%
3	Existence of an effective system to monitor CDWs	Currently there is no tool to monitor CDWs. Only assisting them administratively (i.e. venue and communicating their meetings to relevant stakeholders)		
5	Effective of IGR structural meetings	Amahlathi Political IGR forum meetings sit on a quarterly basis and are led by the Honourable Mayor. All the Executive Committee members of the Council also form part of the forum as required by the terms of reference of the committee. The IGR is currently coordinated in the Office of the MM and is attached to the Office Administrator.		
6	Existence of an effective communication strategy	Communication Strategy adopted by council February 2015, and it is reviewed on an annually basis by reviewing the Communication Action Plan		
6	Existence of an effective communication strategy	Communication Strategy adopted by council February 2015, and it is reviewed on an annually basis by reviewing the Communication Action Plan		
7	Number of mayoral imbizos conducted	2	2	100%
8	Existence of a fraud prevention mechanism	The Internal Audit Unit is conducting Fraud Awareness Campaigns within the municipality on quarterly basis and those awareness programs are included on the Approved Risk Based Internal Audit Plan for 2015/16 financial year. Employees are workshopped on what constitutes Fraud and what they should do when they suspect that fraud is happening within the municipality. The Internal Audit Unit has also developed Fraud Prevention Plan and Whistle-blowing policy for protection of the Whistle blowers. Policy was submitted to the Council and was adopted in April 2015.		

**VOLUME II: 2024-25 UNAUDITED ANNUAL FINANCIAL
STATEMENTS**