

**DRAFT ANNUAL REPORT FOR
THE YEAR ENDED 30 JUNE 2024**

ABBREVIATIONS:

AIDS:	Acquired Immune Deficiency Syndrome
CDWs:	Community Development Workers
CLARA:	Communal Land Rights Act No. 11 of 2004
CPLW:	Community Participation Liaison Worker
CSS:	Community Satisfaction Survey
CRDP:	Comprehensive Rural Development Programme
CIF:	Capital investment Framework
CMA:	Catchment Management Area
DEDEA:	Department of Economic Development & Environmental Affairs
DoE:	Department of Energy
DEA:	Department of Environmental Affairs
DFA:	Development Facilitation Act 67 of 1995
DLGTA:	Department of Local Government and Traditional Affairs
DLTC:	Driving Licence Testing Centre
DM:	District Municipality
DRP:	Disaster Recovery Plan
DWA:	Department of Water Affairs
EC:	Eastern Cape
ECBCP:	Eastern Cape Biodiversity Conservation Plan
ECPSDP:	Eastern Cape Provincial Spatial Development Plan
ECSECC:	Eastern Cape Socio-Economic Consultative Council
ELM:	Elundini Local Municipality
EMF:	Environmental Management Framework
ES:	Ethics Strategy
EXCO:	Executive Committee
FET:	Further Education & Training
GDP:	Gross Domestic Product.
GDS:	Growth and Development Summit
GGP:	Gross Geographic Product.
GIS:	Geographic Information System
HIV:	Human Infected Virus
HSP:	Housing Sector Plans
ICT:	Information and Communication Technology
IDP:	Integrated Development Plan
IGR:	Inter-governmental Relations
ISRDP:	Integrated Sustainable Rural Development Programme
ISDM:	Integrated Service Delivery Model
ITPs:	Integrated Transport Plans
IPILRA:	Interim Protection of Informal Land Rights Act
IDC:	Industrial Development Corporation
IWMP:	Integrated Waste Management Plan
JGDM:	Joe Gqabi District Municipality
JoGEDA:	Joe Gqabi Economic Development Agency
KPA:	Key Performance Area
KPI:	Key Performance Indicator
LDO:	Land Development Objective
LED:	Local Economic Development
LRAD:	Land Redistribution for Agriculture Development
LM:	Local Municipality
LUM:	Land Use Management

MEC:	Member of the Executive Council
MFMA:	Municipal Finance Management Act
MIG:	Municipal Infrastructure Grant
MIMF:	Municipal Integrity Management Framework
MSA:	Municipal Systems Act
MSI:	Mayor’s Social Investment
MSIG:	Municipal Systems Improvement Grant
MSP:	Master Systems Plan
MTEF:	Medium Term Expenditure Framework
MTSF:	Medium Term Strategic Framework
MYPE:	Mid-year population estimates
NDP:	National Development Plan, Vision 2030
NEMA:	National Environmental Management Act
NGO:	National Government Organisations
NSDP:	National Spatial Development Perspective
PES:	Poverty Eradication Strategy
PGDP:	Provincial Growth Development Plan
PPPFA:	Preferential Procurement Policy Framework Act
PSDP:	Provincial Spatial Development Plan
PSDF:	Provincial Spatial Development Framework
PGDS:	Provincial Growth Development Strategies
PLAS:	Pro-active Land Acquisition Strategy
PLTF:	Provincial Land Transport Framework
PSF:	Provincial Strategic Framework
RAMS:	Road Asset Management System
RDA:	Rural Development Agency
RDAT:	Rural Development & Agrarian Transformation
RDP:	Reconstruction and Development Programme
RMC:	Risk Management Charter
RMCo:	Risk Management Committee
RR:	Risk Register
RULIV:	Rural Livelihoods
SANRAL:	South African National Road Agency
SAPS:	South African Police Services
SCM:	Supply Chain Management
SDF:	Spatial Development Framework
SEDA:	Small Enterprise Development Agency
SETA:	Sector Education Training Authority
SMME:	Small, Medium & Micro Enterprises
SPLUMA:	Special Planning and Land Use Management Act
SPU:	Special Programmes Unit
STEP:	Sub Tropical Ecosystem Planning Project
TA:	Tribal Authority
VIP:	Ventilated Improved Pit Latrine
VTS:	Vehicle Testing Station
WMA:	Water Management Area
WMP:	Water Management Plan
WSA:	Water Services Authorities
WSDP:	Water Services Development Plan

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1. CHAPTER ONE:

COMPONENT A: Mayor's Foreword

1.1 Executive Summary

Jack Thando Mdeni
Municipal Manager

Date

1.2 MUNICIPAL OVERVIEW

The Elundini Local municipality provides refuse removal, and electricity as part of basic services. It also provides roads and storm water, Local Economic development, and building regulations to local communities. The detailed list of services provided by the ELM are listed in **appendix D**. Elundini municipality crafted and adopted its development vision, *“A pioneer for sustainable rural development”*. The vision is driven by the objects of Local Government as entailed in the Constitution of the Republic of South Africa, Act 108 of 1986: Section 152 which prescribes the following as the principal mandates of the Local Government.

- (a) To provide democratic and accountable government for local communities.
- (b) to ensure the provision of services to communities in a sustainable manner.
- (c) to promote social and economic development.
- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in the matters of local government.

The mission statement of the ELM is “To deliver service delivery to the community through good governance and administration”.



Municipal Strategic Goals

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements. Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

2021-2026 Council Term		2024/25MTREF	
1.	Accelerate delivery of reliable basic service and resilient infrastructure.	1.	Accelerate delivery of reliable basic service and resilient infrastructure
2.	Promote economic growth, environment sustainability through job absorbing sectors	2.	Promote economic growth, environment sustainability through job absorbing sectors
3.	Improve the effectiveness of governance administrative and financial systems	3.	Improve the effectiveness of governance administrative and financial systems

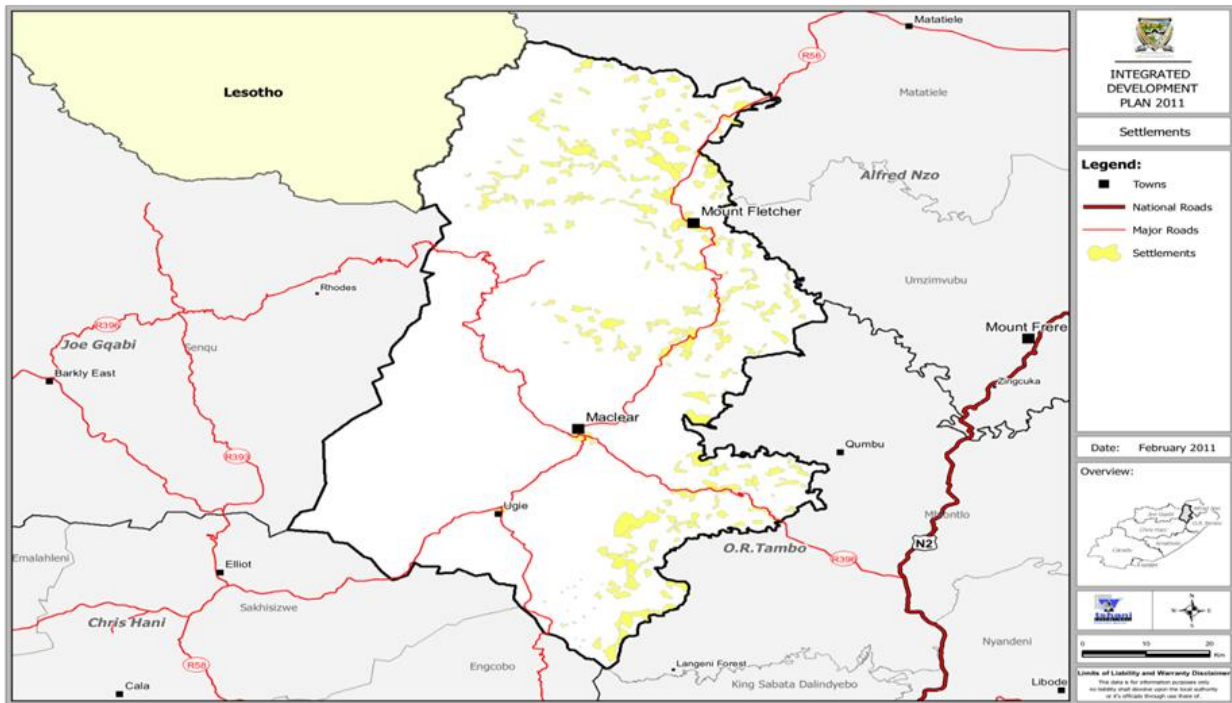
POPULATION STATISTICS

The population of Elundini forms part of the ultimate objective of the development process as well as being subject in the process since demographic processes such as fertility, mortality and migration determine the demographic outcomes such as size, age-sex structure and spatial distributions of the population which affect the functioning of socio-economic processes of land use, labour absorption, consumption and expenditure which in turn define the socio-economic outcomes in terms of income, employment, education, health, housing etc. This analysis will shade some light on the dynamics of the Municipal population, which can then be used to develop strategic interventions. These demographics characteristic analyses the socio-demographic and human settlement characteristics of the Elundini local Municipality.

Elundini Municipality is a Category B municipality located within the Joe Gqabi District in the north-eastern portion of the Eastern Cape Province, the municipality consist of three towns namely, Nqanqarhu, Tlokoeng, and Ugie the ELM is bounded by the Alfred Nzo District in the North, Chris Hani District in the South, OR Tambo District in the East, and Lesotho and Senqu in the West. It is the smallest of three municipalities in the district, making up a quarter of its geographical area (refer to map below).

The map below depicts the geographical area of ELM:

Figure 1: ELM Geographical Area



Source: Elundini IDP 2024/2025

POPULATION SIZE

The municipality covers an area of 5,064 km² and has 17 Wards. According to the recent Census of 2022 released by Stats SA, the Elundini Local Municipality is the second populous municipality in the Joe Gqabi District Municipality. The JGDM total population has increased by 44 375 people from the Census 2011 figures of 348 673 to 393 048 of the Census 2022 and an increase of 20 136 from the CS 2016 figures of 372 912. This represents a 11,0% increase between 2011 and 2022. From the JGDM total population increase, the ELM has seen a significant increase of 3 621 people representing an increase of 2.55% between 2011 and 2022 as compared to an increase of 0, 5% between 2001 and 2011. Between 2022 and 2011, in both the JGDM and the ELM, there is a noticeable increase in the number of households by 3 659 in ELM and 26 823 in the JGDM, both the municipalities have experienced an increase of 9,7% and 27,5% of households respectively as depicted by the table overleaf. Of the total number of households in both the JGDM and Elundini municipalities, there has been an increase in the formal structures where the formal structures in JGDM increased from 69,6% to 86, 1% and on ELM increased from 47,8% to 76, 5%.

The table below depicts the changes in the total numbers of households between JGDM and ELM from 2011, 2016 to 2022:

Table 1: Population Changes

Municipality	2011	2016	2022	% growth			Number of households			% Change
				2011 - 2011	2011 - 2016	2016 - 2022	2011	2016	2022	
JGDM	349 768	372 912	393 048	2.3%	6.2%		95 294	95 107	124 294	27.5%
Elundini	138 141	144 929	141 762	0.5%	4.7%		35 992	35 804	41 210	9.7%

Source: Census 2011, CS 2016 and Census 2022

Distribution of Total Population by Age and Gender

The graph below depicts the distribution of population by age and gender:

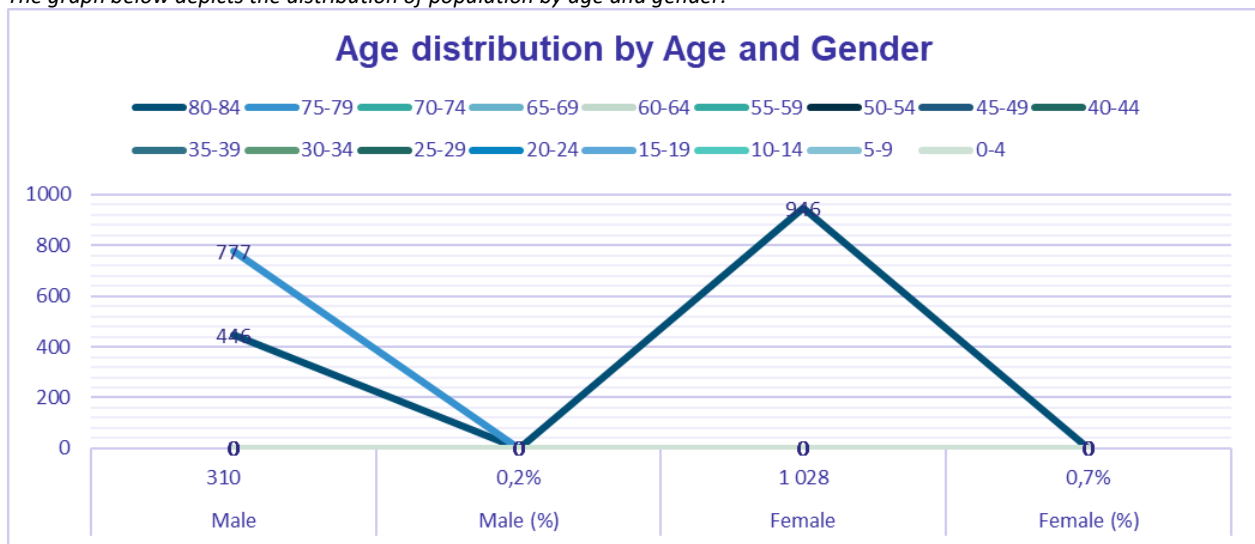


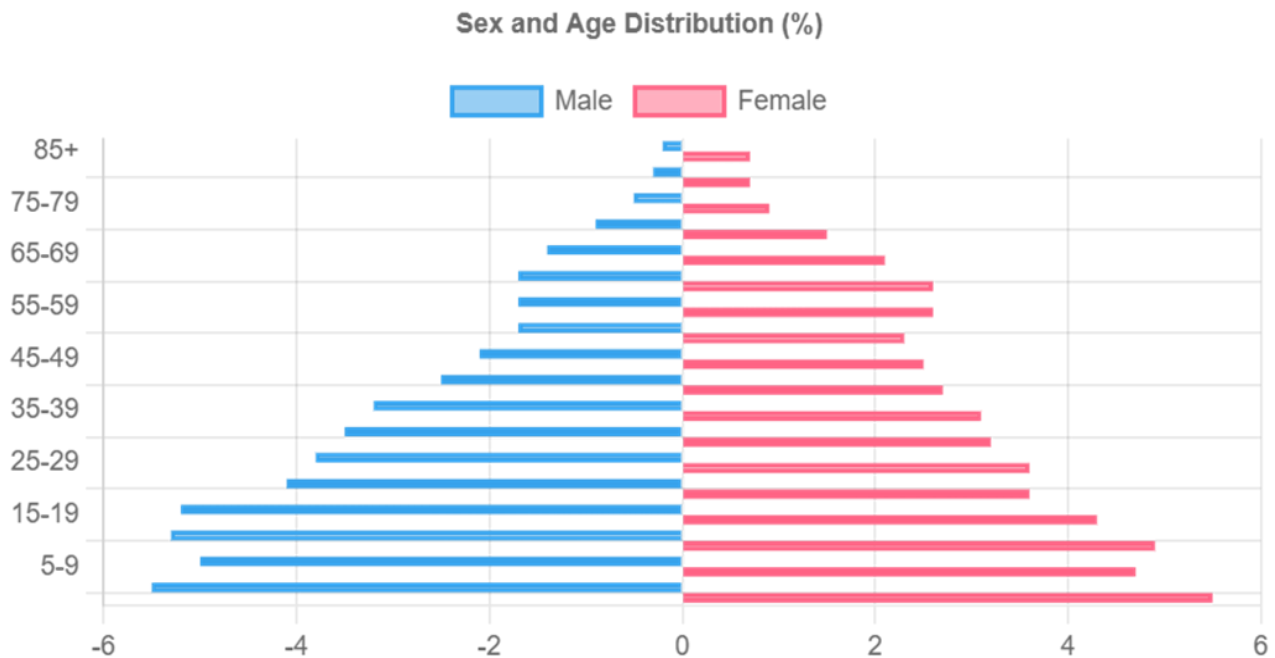
Figure 2: Source: Census 1996, Census 2001, Census 2011, CS 2016 and Census 2022.

Age group	Males	% Males	Females	% Females
85+	310	0.2	1028	0.7
80-84	446	0.3	946	0.7
75-79	777	0.5	1275	0.9
70-74	1334	0.9	2067	1.5
65-69	1919	1.4	2945	2.1
60-64	2349	1.7	3648	2.6
55-59	2344	1.7	3727	2.6
50-54	2457	1.7	3318	2.3
45-49	2932	2.1	3606	2.5
40-44	3588	2.5	3773	2.7
35-39	4506	3.2	4332	3.1
30-34	4918	3.5	4539	3.2
25-29	5357	3.8	5106	3.6
20-24	5755	4.1	5077	3.6
15-19	7385	5.2	6144	4.3

10-14	7498	5.3	6955	4.9
5-9	7109	5	6691	4.7
0-4	7779	5.5	7816	5.5

Although there has been an overall increase of 3,4% in the total population in Elundini, there has been a decrease of 2,5% of the female population and an increase of 2, 5% of the male population between 2011 and 2022. The female population in Elundini makes 51.5% of the total population and males constitute 48,5% of the total population. In terms of the demographic distribution of the Elundini population, a younger population, between the ages of 0-4, comprises the largest population with 15 595 followed by 10-14 with 14 453, 05-09 with 13 800 and 15-19 with 13 529.

The pyramid below provides a clear depiction of age and sex distribution of the ELM population. In terms of the stages of demographic transition model, the ELM pyramid appears to be at the third stage, which shows stationary growth and mortality particularly in the 25 to 75+ years cohorts. It is clear how many people of each age range and sex are found within the municipality. Moreover, the pyramid shows that the population is generally older on average.



1.4. SERVICE DELIVERY OVERVIEW

For the financial year 2023/24, ELM had a total of 23 indicators; Basic Service Delivery had a total of 10 indicators out of the 23 indicators; 7 indicators were achieved, and 3 indicators were not achieved which translated to 70% achievement and 30 % not achieved. Financial Viability had a total of 05 indicators out of 23, and 4 indicators were achieved while 1 was not achieved which accounted for 80% achievement and 20 % under-achievement. Good Governance had 02 indicators; and 2 indicators were achieved which accounted for 100% achievement. Local Economic Development had a total of 04 indicators, 3 indicators were achieved, and 1 indicator was not achieved which translated to 75% of achievement and 25% of under-achievement. Municipal Transformation KPA had 02 indicators, 1 indicator was achieved and 1 was not achieved which translated to 50% achievement and 50% under-achievement.

The municipality performed slightly well compared to the previous financial year, out of 23 indicators a total of 17 indicators were achieved, which accounted for 73.9% of the overall performance. This is a slight improvement from the previous year's performance of 73%. Service delivery challenges for the year under review included: -

- Inadequate capacity of service providers for projects such as training interventions and smart metres
- Poor revenue collection and shortage of debt collection staff
- Inclement weather
- Service delivery protests which led to deviation from planned road maintenance
- Taxi unrests which resulted in the operation of the Municipality being negatively impacted.
- Unreliable power backup and Vandalism of Network Towers leading to unavailability of network connection are affecting the performance of remote backup.
- Unavailability of power backup at Ugie offices Disaster Recovery site
- Budget constraints and cash flow challenges

1.5. FINANCIAL HEALTH OVERVIEW

Financial health refers to the overall well-being of a municipality's financial position. It considers various aspects such as the municipality's liquidity, debt levels and cash flow. By evaluating these factors, you can get a comprehensive picture of the municipality's financial strength and stability.

Current Ratio

The ratio is used to assess the municipality's ability to pay back its short-term liabilities with its short-term assets.

The norm range for this ratio is 1.5:1 as determined by National Treasury in MFMA circular 71.

For the period under review the Municipality's ratio is below the norm range, this is an indication that the municipality will not be able to service its financial obligations in the near future.

Cost Coverage Ratio

This ratio defines the number of months that the municipality based on current available resources would be able to function without any form of revenue being raised. The norm range is 1-3 months. The outcome is within the norm range even though it is on the lowest.

Collection Rate

The ratio indicates the collection rate, i.e., level of payments. It measures increases or decreases in debtors relative to annual revenue collected. The industry norm is 95%. The outcome at year end is below the norm.

Net Debtors Days

The ratio reflects the collection period. Net debtor's days refers to the average number of days required for a municipality to receive payment from its consumers for bills/ invoices issued to them for services. The industry norm is 30 days. The outcome at year end is 677 days and it is above the norm of 30 days.

Summary

The municipality does not have revenue base due to poor collection on arrear debt, it is grant dependent and even the grant is unable to meet all the financial obligations of the municipality. The municipality does not have reserves. The ratios above also indicate that the municipality is not financial stable and healthy.

The solution would be to implement the credit control policy fully, appoint the debt collector and also to implement the cost containment policy.

1.6. ORGANISATIONAL DEVELOPMENT OVERVIEW

ELM's main political and administrative offices are situated in Nqanqarhu with two administrative units in Tlokoeng and Ugie which are headed by their respective unit heads. As part of the IDP process, the Municipality reviewed the Organogram to ensure its alignment to the IDP and Constitutional obligations. As of 30 June 2024, the ELM's reviewed Organogram reflected a total number of 345 positions with 305 funded positions and 278 filled (91.1% filled). The municipality maintained the 8.9% vacancy rate which was also attained in the 2022/23 financial year. The above narration includes senior management positions which were all filled by the end of the 2023/24 financial

The Departmental and Individual Key Performance Areas, Deliverables and Standards are to be formulated and aligned with IDP Objectives.

With effect from July 2019, Individual Performance Management has been cascaded down from Senior Management to TASK Grade 9 and the municipality is implementing an electronic system which starts from the uploading of Signed Annual Performance Agreements and Output Plans by Employees from Senior Management, Middle Management down to TASK Grade 9 employees.

Municipality is implementing performance management as directed by the municipality's policy on PMS as well as the Local Government: Municipal Staff Regulations of 2021 (Reg. 890), which necessitate a feedback driven performance management, which is mainly achieved through formal assessments. In the 2023/24 financial year, the municipality was able to facilitate annual performance assessments for all employees starting from Senior Management, down to TASK Grade 09 employees. The assessments were looking at the performance achieved in the 2022/23 financial year to improve employee, departmental and municipal performance going forward.

2. CHAPTER TWO – GOVERNANCE

2.1. POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1.1. Political Governance

In terms of Section 151 (2) of the Constitution of the Republic of South Africa, 1996, the executive and legislative authority of a municipal council is vested in its municipal council. Section 11 (1) of the Local Government: Municipal Systems Act (Act No 32 of 2000), stipulates that the executive and legislative authority of a municipality is exercised by the council of ELM, and the council takes all the decisions of ELM subject to Section 59. In terms of Section 59 of the Municipal Systems Act, a municipal council must develop a system of delegation that will maximise administrative and operational efficiency and provide for adequate checks and balances and, in accordance with that system, may: -

- a) Delegate appropriate powers, excluding a power mentioned in section 160 (2) of the Constitution and the power to set tariffs, to decide to enter into a service delivery agreement in terms of section 76(b) and to approve or amend ELM's integrated development plan, to any of ELM's other political structures, political office bearers, councillors and staff members.
- b) Instruct any such political structure, political office bearer, councillor, or staff member to perform any of ELM's duties; and
- c) Withdraw any delegation or instruction.

The ELM is a collective executive system combined with a ward participatory system. The original powers of the executive committee are outlined in section 44 of the Local Government: Municipal Structures Act (Act No 117 of 1998). ELM has, in terms of Section 53 of the Municipal Systems Act, defined the role and area of responsibility of each political structure, political office bearer and the municipal manager. In terms of ELM's Policy on Roles and Responsibilities and the Delegation of Power, as well as the delegation's register, Council has devolved certain decision-making powers (apart from those directly assigned by legislation) to the Executive Committee, the Mayor, the Speaker and the Municipal Manager. The Speaker is the chairperson of the municipal council, the Mayor is the chairperson of the Executive Committee and the Municipal Manager is the head of administration. After the Local Government elections that were held in November 2021, the political party composition of the Municipal Council was as follows: -

Table 1: Political Party Representation

Political Party representation	During the year under review	
	Number	% representation
African National Congress	28	82.36
Economic Freedom Fighters	2	5.88
United Democratic Movement	1	2.94
Democratic Alliance	1	2.94
African Transformation Movement	1	2.94
South African Royal Kingdoms Organisation	1	2.94
TOTAL	34	100

The ELM established six (06) Section 80 Committees in line with administrative departments which are referred to as portfolio committees to assist the Executive Committee and they are: -

- Corporate Services Portfolio Committee
- Budget & Treasury Portfolio Committee
- Infrastructure Planning and Development Portfolio Committee
- Planning and Economic Development Portfolio Committee
- Community Services Portfolio Committee
- Strategic Governance Portfolio Committee

These portfolio committees are chaired by members of the Executive Committee. The Executive Committee is the principal committee of the Council. It is the Committee which receives reports from Portfolio Committees of Council and submits these reports together with its recommendations to the Council when it cannot dispose of matters in terms of its delegated authority. All Section 80 Committees were inducted in quarter 3 and quarter 4 on their roles and responsibilities. The following councillors served as members of the Executive Committee during the term under review:

Table 2: Executive Committee Members

Name	Portfolio
Hon Cllr Mamello P.S.S. Leteba	The Mayor and EXCO Chairperson
Hon Cllr Simphiwe Mdo	Infrastructure Planning and Development
Hon Cllr Mthobeli Siphamla	Planning and Local Economic Development
Hon Cllr Bandile Nqodi	Corporate Services (Whip)
Hon Cllr Lephafa	Budget and Treasury
Hon Cllr Thozama May	Community Services



The Council defined the following roles for the Speaker as the chairperson of the Council (over and above the roles assigned by the Municipal Structures Act): -

- Leader of council in respect of the oversight function.
- Custodian of the interests of the members of the municipal council.
- Politically in charge of the community development workers' program; and
- Responsible for the training and development of ward committees

The ELM has, in terms of its By-laws relating to the Standing Rules and Orders, established the following section 79 committees, inter alia: -

- Audit Committee
- Municipal Public Accounts Committee
- Women Caucus
- Mandate Committee
- Rules Committee
- Members Interests and Ethics Committee

All Section 79 Committees were generally functional but differed from one committee to another. Municipal Public Accounts Committee managed to sit 7 meetings in the financial year under review with more than 1 meeting in quarter 1 and quarter 3. Followed by the member's interest and ethics committee with 3 meetings (quarter 1-3) for the financial year. Lastly the Women Caucus sit only 1 meeting (quarter 1). Rules committee and Mandate Committee did not sit for the entire financial year respectively.

Table 6: Section 79 Committee members

Name	Portfolio
Hon Cllr V.V Hokwana	Speaker and Chairperson Rules Committee
Hon Cllr Z. Mampintsha	MPAC Chairperson
Hon Cllr C.L Marrandi	Chairperson Women Caucus
Hon Cllr M. Thokozwayo	Chairperson Mandate Committee
Hon Cllr M. Telile	Chairperson Members interest and Ethics Committee
Hon Cllr M.P.S.S Leteba	Chairperson IDP & Budget Steering Committee

Committee	Quarter 1	Quarter 2	Quarter 3	Quarter 4
MPAC	10 August 2023 26 September 2023	02 November 2023	13 March 2024 19 March 2024 25 March 2024	21 May 2024
RULES COMMITTEE	-	-	-	-
MANDATE COMMITTEE	-	-	-	-
MEMBER'S INTERESTS AND ETHICS	19 September 2023	03 November 2023	26 March 2024	-
WOMAN CAUCUS	20 September 2023	-	-	-

Table 7: Section 79 Committee meeting sitting



Cllr V V Hokwana
Speaker of the Council &
Chairperson of Rules Committee



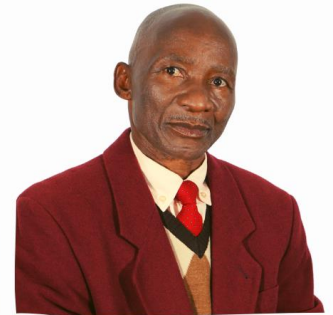
Cllr Z Mampintsha
Chairperson : MPAC



Cllr C L Marrand
Chairperson : Women Caucus



Cllr M Telile
Chairperson : Member's
Interest & Ethics Committee



Cllr M Thokozwayo
Chairperson : Mandate
Committee

2.1.2. Audit Committee

Name	Portfolio
Mrs. Ntombentsha Mnconywa	Chairperson
Mr. Yongama Madolo	Member
Mr. Rholihlahla Vuzane	Member
Mr. Mxolisi J. Skhosana	Member



Mrs Ntombentsha Mnconywa, CA (SA)
Chairperson - Audit Committee



Mr Yongama Madolo CA (SA)
Audit Committee Member



Mr. Rholihlahla Vuzane, CA (SA)
Audit Committee Member



Mr. Mxolisi J Sikhosana, CA (SA)
Audit Committee Member

2.1.3 Administrative Governance

The ELM's executive management structure consists of the Municipal Manager, appointed in terms of Section 54 (A) of the Local Government: Municipal Systems Act, and five managers appointed by the Municipal Council in terms of Section 56 of the Municipal Systems Act and one non-section 56 senior manager. All these managers are directly accountable to the municipal manager. The macro-organisational structure of ELM, for the year under review, consists of the following departments: -

- Office of the Municipal Manager
- Budget & Treasury
- Community Services
- Corporate Services
- Infrastructure Planning & Development
- Planning & Economic Development

Table 3: Administrative Departments

	NAME	OCCUPATION	DEPARTMENT
1.	Mr. Jack Thando Mdeni	Municipal Manager	Office of the Municipal Manager
2.	Mrs Balisa Mbana-Gantsho	CFO	Budget and Treasury
3.	Mr Siqalo Mrengqwa	Director	Infrastructure Planning & Development
4.	Mrs. Lungiswa Gomana-Kutwana	Director	Community Services
5.	Mrs Ntomboxolo Eddie	Director	Planning and Economic Development
6.	Mr Zibele Xuba	Director	Corporate services

2.1.4 Inter-Governmental Relations

The ELM is represented and participates in various cooperative and intergovernmental forums, through its Mayor and Municipal Manager. At a district level, the mayor is a member of the District Mayor's Forum (DIMAFO) established in terms of sections 24 and 25 of the Intergovernmental Relations Framework Act (Act No 13 of 2005), whilst the Municipal Manager serves in the technical committee/s that support the DIMAFO. At a provincial level, ELM participates directly in the MUNIMEC, which is a meeting of the provincial government of the Eastern Cape with all the Mayors of the province, which is convened by the MEC for Local Government and Traditional Affairs. These meetings sit Quarterly and are preceded by the Technical MUNIMEC at which the Superintendent General of Department of Cooperative Governance and Traditional Affairs convenes all the Municipal Managers of the province to discuss service delivery and cooperative governance matters. At a local level the ELM has convened four (04) IDP & Budget Representative Fora that discussed, among other things, the review and adoption of IDP and budget and other related service delivery issues. Other local IGR platforms that were coordinated effectively by their relevant municipal departments were Local Communicators' Forum and Local AIDS Council to share service delivery information and progress.

The Local Initiation Forum was established in terms of the Eastern Cape Male Circumcision Act which aims to provide guidance to eliminate mortality during male circumcision in the province. The main aim of the forum is to eliminate death during initiation seasons. The membership of the forum includes Dept. of health, Education, House of traditional leaders, NGOs, SAPS, Traditional Nurses and Traditional Surgeons, Elundini Local Municipality and working committees established per traditional council. The forum met numerous times during the year to prepare for the winter season, evaluate the winter season, plan for the summer season, evaluate the summer season and as and when there was need to meet. The forum reported to the District Initiation Forum and the Elundini Local Municipality Council was reported to through the office of the Speaker. The forum made presentations to increase awareness at the Quarterly meetings of the IDP and Local Communicators 'Forum

2.1.5 Public Accountability and Participation

The ELM is enjoined by Section 152 of the Constitution of the Republic of South Africa, 1996, to, inter alia: -

- Provide democratic and accountable government to the local community
- Ensure the provision of services to communities in a sustainable manner

- Promote social and economic development
- Promote safe and healthy environment, and
- Encourage the involvement of communities and community organisations in the matters of local government.

2.1.6 Public Meetings

2.1.6.1 *Ward Committee Meetings*

The ELM successfully established ward committees in 17 wards since the beginning of the current term of Council to promote public participation in the affairs of ELM. Ward committee meetings for the quarter under review were held in all 17 wards. Issues that were raised during ward committee meetings will be packaged and will be sent to relevant public bodies i.e. government departments, state-owned enterprises and district municipality for their attention. The intention is to ensure that issues raised by communities are attended to, through an efficient information management and feedback system. All ward committee members were paid their monthly stipends for April, May and June 2023 (Both manual payments and payroll).

2.1.6.2 *Ward-Based Planning Stakeholder Meetings*

Ward-based planning is a form of participatory planning which is linked with Integrated Development Plan (IDP). Ward-based planning is aimed at empowering communities to interact and engage with appropriate socio-economic development interventions including poverty reduction in their communities. The municipality developed ward-based plans with the communities in 2017 as the five-year plan intended to improve lives of citizens of the municipal area. These plans were reviewed with the 2022-2023 IDP & Budget and will be effective up until the end of the term of the current administration which is 2022-2027. As a support mechanism to communities towards implementation of ward-based plans, during the year under review the municipality performed and completed four deliverables in line with the project plan which were the following: -

- (a) Prioritization and identification of short- and long-term projects in each ward and their impact to the lives of communities.
- (b) Resource mapping (Linking of ward representatives for guidance and support purposes with knowledgeable service providers who have expertise relevant to priorities of the wards)
- (c) Establishment of ward task team
- (d) Business Plan development support

2.1.6.3 Public Participation Events

ELM supported other public participation events that were hosted within Elundini area of jurisdiction by the municipality and other public bodies such as Independent Electoral Commission; Eastern Cape Provincial Legislature; Joe Gqabi District Municipality; Joe Gqabi Development Agency; etc. The table below shows other public participation events that were supported. These events included Mayor's Conversation with Traditional leadership; Local Initiation Forum; Voter registration; Taking Legislature to the People; Public Hearings; HIV/AIDS Awareness Campaign; District Moral Movement; IDP Representative Forum; Petition Management Community Engagements.

2.1.6.4 Public Participation Meetings

The table below depicts the list of public meetings that were held by ELM during the year under review.

Table 4 : Public Meetings

Nature of meetings	Date & Venue of Events	No of Councillors	No of Municipal Administrators	No of Sector Departments Officials	No of Community Members	No. of Traditional Leaders	No. of Community Development Workers
IDP/Budget Outreach – Ward 1	23 April 2023 Ncembu Pay-point	2	5	0	118	2	0
IDP/Budget Outreach – Ward 2	30 April 2024 Ntokozweni Comm Hall	4	7	0	28	0	1
IDP/Budget Outreach – Ward 3	23 April 2024 Sonwabile Comm Hall	2	5	1	29	0	0
IDP/Budget Outreach – Ward 4	25 April 2024 Lower Tsitsana Comm Hall	5	4	3	134	1	1
IDP/Budget Outreach – Ward 5	30 April 2024 Hopedale	3	13	6	186	0	0
IDP/Budget Outreach – Ward 6	23 April 2024 Lower Sinxako JSS	3	2	0	74	1	0
IDP/Budget Outreach – Ward 7	23 April 2024 Etyeni JSS	3	5	1	66	0	1
IDP/Budget Outreach – Ward 8	23 April 2024 Mfanta	3	3	0	30	0	0
IDP/Budget Outreach – Ward 9	19 April 2024 Tlokoeng T/H	4	11	0	1	0	0
IDP/Budget Outreach – Ward 10	16 April 2024 Ezingonyameni Tribal Authority	1	3	0	57	0	0
IDP/Budget Outreach – Ward 11	02 May 2024 Fletcherville JSS	4	7	0	51	0	0
IDP/Budget Outreach – Ward 12	19 April 2024 Mangoloaneng Paypoint	2	2	0	46	0	1
IDP/Budget Outreach – Ward 13	19 April 2024 Mhoabatsane Comm Hall	2	4	0	103		1

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IDP/Budget Outreach – Ward 14	19 April 2024 Bethania	3	4	2	60	0	1
IDP/Budget Outreach – Ward 15	19 April 2024 Hillgate	4	13	4	50	3	0
IDP/Budget Outreach – Ward 16	25 April 2024 Hlankomo	3	5	3	139	0	1
IDP/Budget Outreach – Ward 17	25 April 2024 Mbidlana	4	5	5	138	1	1
Ward 1 Committee (Q 1)	21 September 2023 Ncembu Pay-point	2	1	0	8	0	1
Ward 1 Committee (Q 2)	20 November 2023 Ncembu Pay-point	2	1	0	8	0	1
Ward 1 Committee (Q 3)	7 March 2024 Ncembu Pay-point	1	1	0	7	0	1
Ward 1 Committee (Q 4)	13 June 2024 Ncembu Pay-point	1	1	0	8	0	0
Ward 2 Committee (Q 1)	18 September 2023 Ntokozweni Comm Hall	1	1	0	10	0	0
Ward 2 Committee (Q 2)	17 November 2023 Ntokozweni Comm Hall	1	1	0	6	0	0
Ward 2 Committee (Q 3)	8 March 2024 Ntokozweni Comm Hall	2	1	0	10	0	1
Ward 2 Committee (Q 4)	18 September 2023 Ntokozweni Comm Hall	1	1	0	9	0	0
Ward 3 Committee (Q 1)	14 September 2023 Municipal offices	1	1	0	7	0	0
Ward 3 Committee (Q 2)	24 November 2023 Municipal offices	1	1	0	8	0	0
Ward 3 Committee (Q 3)	1 March 2024 Municipal offices	1	1	0	8	0	0
Ward 3 Committee (Q 4)	14 September 2023 Municipal offices	2	1	0	7	0	0
Ward 4 Committee (Q 1)	19 September 2023 Lower Tsitsana Comm Hall	2	1	0	10	0	1
Ward 4 Committee (Q 2)	20 November 2023 Lower Tsitsana Comm	1	1	0	6	0	1

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	Hall						
Ward 4 Committee (Q 3)	6 March 2024 Lower Tsitsana Comm Hall	1	1	0	10	0	1
Ward 4 Committee (Q 4)	4 June 2024 Lower Tsitsana Comm Hall	1	1	0	10	0	1
Ward 5 Committee (Q 1)	26 September 2023 Hopedale	1	1	0	10	0	0
Ward 5 Committee (Q 2)	27 November 2023 Hopedale	1	1	0	10	0	0
Ward 5 Committee (Q 3)	01 March 2024 Hopedale	1	1	0	10	0	0
Ward 5 Committee (Q 4)	3 June 2024 Hopedale	1	1	0	10	0	0
Ward 6 Committee (Q 1)	25 September 2023 Ngxotho JSS	1	1	0	8	0	1
Ward 6 Committee (Q 2)	1 December 2023 Ngxotho JSS	1	1	0	6	0	0
Ward 6 Committee (Q 3)	15 March 2024 Qurana	1	1	0	8	0	0
Ward 6 Committee (Q 4)	7 June 2024 Ngxotho JSS	1	1	0	8	0	0
Ward 7 Committee (Q 1)	15 September 2023 Hlangalane	1	1	0	7	0	1
Ward 7 Committee (Q 2)	23 November 2023 Hlangalane	1	1	0	6	0	0
Ward 7 Committee (Q 3)	22 February 2024 Khohlopong	1	1	0	7	0	1
Ward 7 Committee (Q 4)	13 June 2024 Gamakhulu	1	1	0	7	0	0
Ward 8 Committee (Q 1)	19 September 2023 Umfanta	1	1	0	7	0	1
Ward 8 Committee (Q 2)	4 December 2023	1	1	0	6	0	0
Ward 8 Committee (Q 3)	25 March 2024 Lithoteng	1	1		9	0	1

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Ward 8 Committee (Q 4)	06 June 2024 Lithoteng	1	1	0	6	0	0
Ward 9 Committee (Q 1)	13 September 2023 Tlokoeng Town Hall	1	1	0	5	0	0
Ward 9 Committee (Q 2)	4 December 2023 Tlokoeng Town Hall	1	1	0	6	0	0
Ward 9 Committee (Q 3)	26 February 2024 Tlokoeng Town Hall	1	1	0	6	0	1
Ward 9 Committee (Q 4)	10 June 2024 Tlokoeng Town Hall	1	1	0	6	0	0
Ward 10 Committee (Q 1)	18 September 2023 Silindini School	1	1	0	9	0	1
Ward 10 Committee (Q 2)	15 November 2023 Westhoek	1	1	0	7	0	1
Ward 10 Committee (Q 3)	07 March 2024 Ezingonyameni T/ Authority	1	1	0	9	0	0
Ward 10 Committee (Q 4)	5 June 2024 Xaxazana School	1	1	0	10	0	0
Ward 11 Committee (Q 1)	19 September 2023 Tinana SSS	1	1	0	9	0	0
Ward 11 Committee (Q 2)	23 November 2023 Dengwane SPS	1	1	0	6	0	0
Ward 11 Committee (Q 3)	13 March 2024 Tinana School	1	1	0	7	0	0
Ward 11 Committee (Q 4)	18 June 2024 Fletcherville	1	1	0	9	0	0
Ward 12 Committee (Q 1)	25 September 2023 Mangoloaneng Pay- point	1	1	0	8	0	1
Ward 12 Committee (Q 2)	28 November 2023 Kinira Poort	1	1	0	7	0	1
Ward 12 Committee (Q 3)	6 March 2024 Mangoloaneng Pay- point	1	1	0	9	0	0
Ward 12 Committee (Q 4)	10 June 2024 Kinira Poort	1	1	0	9	0	1

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Ward 13 Committee (Q 1)	8 September 2023 Mhoabatsane Comm Hall	2	1	0	8	0	1
Ward 13 Committee (Q 2)	10 November 2023 Mhoabatsane Comm Hall	1	1	0	10	0	0
Ward 13 Committee (Q 3)	23 February 2024 Mhoabatsane Comm Hall	1	1	0	10	0	0
Ward 13 Committee (Q 4)	7 June 2024 Mhoabatsane Comm Hall	1	1	0	7	0	0
Ward 14 Committee (Q 1)	20 September 2023 Lehana's Pass	1	2	0	10	0	1
Ward 14 Committee (Q 2)	16 November 2023 Thabakhubedu	2	1	0	8	0	1
Ward 14 Committee (Q 3)	1 March 2024 Bethania Comm Hall	1	1	0	10	0	1
Ward 14 Committee (Q 4)	7 June 2024 Vuvu Pay-point	1	1	0	9	0	1
Ward 15 Committee (Q 1)	8 September 2023 Mhoabatsane Comm Hall	1	1	0	5	0	0
Ward 15 Committee (Q 2)	21 November 2023 Hillgate	1	1	0	8	0	0
Ward 15 Committee (Q 3)	22 March 2024 Hillgate	1	1	0	10	0	0
Ward 15 Committee (Q 4)	10 June 2024 Hillgate	1	1	0	9	0	0
Ward 16 Committee (Q 1)	20 September 2023 Lubalweni	1	1	0	10	0	1
Ward 16 Committee (Q 2)	1 December 2023 Lubalweni	2	1	0	9	0	0
Ward 16 Committee (Q 3)	12 February 2024 Zwelitsha	1	1	0	9	0	1
Ward 16 Committee (Q 4)	4 June 2024 Chavy-chase	1	1	0	9	0	1

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Ward 17 Committee (Q 1)	14 September 2023 Bhodi	1	1	0	8	0	1
Ward 17 Committee (Q 2)	24 November 2023 Bhodi	1	1	0	7	0	0
Ward 17 Committee (Q 3)	29 February 2024 Bhodi	2	1	0	7	0	1
Ward 17 Committee (Q 4)	11 June 2024 Bhodi	1	1	0	6	0	0

2.2 IDP Participation and Alignment

The table below depicts the alignment of the IDP participation process:

Table 5: IDP Participation and Alignment

IDP Participation and Alignment Criteria*	Yes/No
Does ELM have impact, outcome, input, output indicators?	No, ELM only has output indicators
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

2.3 CORPORATE GOVERNANCE

The scope of corporate governance in the context of this report is legal services, risk management, fraud and corruption, communication, customer care and supply chain management. Other governance issues are already dealt with in the components above.

2.3.1 Legal Services

Legal services include provision of legal advisory services to the municipality; litigation management; vetting of contracts and other legal documents; review and development of municipal by-laws and legal compliance. For the greater part of the year under review, the municipality relied primarily on external legal practitioners to provide legal services within the framework of a panel of attorneys. The vacancy in the Legal services position was filled in the third Quarter of the year under review.

2.3.1.1 By-Laws

There were eight (10) by-laws that were reviewed for the year under-review by Community Services and Planning and Economic Development These by-laws were: -

- Street Trading By-Law
- Liquor Regulatory By-Law
- Fire Safety By-law

- Gathering By-Law
- Cemetery & Crematorium By-Law
- Waste Management By-Law
- Keeping of Animals By-Law
- Pound Management By-Law
- Building control By-Law
- Street trading by -Law

The table below illustrates the number of by-laws reviewed and processes that still need to be followed until the by-laws are gazetted and published.

Table 6: Development & Review of By-Laws

Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazette* (Yes/No)	Date of Publication
00	10	No. By-Laws were only submitted to the Council for noting and consideration before public participation. By-Laws were taken to communities for public participation, consultation and soliciting inputs from the public.	08August 2023(Ugie) 10 August2023 & 10 April 2024 (Tlokoeng, deferred) 11August 2023(Nqanqarhu)	No	Not yet applicable

2.3.1.2 Cases

For the financial year 2023/2024 Municipality had a total number of 15 legal matters. The table below depicts the number of cases the municipality had for the year under review

Table 7: Cases

Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
1	MANXIWA GROUP // ELUNDINI LOCAL MUNICIPALITY		Internally handled	The municipality invited bidders for bid No: ELM-3/005/2020-2021 Manxiwa Group is one of	N/A	They were furnished with the form for formal request in terms of PAIA manual. Copies for the requested

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				<p>the bidders who submitted tender documents for the bid and their bid offer was unsuccessful. They then lodged an appeal after receipt of letter informing them that their bid offer was unsuccessful. After receiving their response that the appeal was unsuccessful, they then made a request for access to information, requesting Manxiwa group bid document and adjudication report</p>		<p>information were made available and are awaiting their proof of payment for access fee. They were informed that they will have to pay access fee of R35.00 and request fee for R140.40.</p> <p>The case is Dormant.</p>
2	XOLISWA T, RWEXANA // ELUNDINI LOCAL MUNICIPALITY	3170/2019	Magqabi Seth Zitha Attorneys	Plaintiff is claiming from the municipality an amount of R3, 035, 000.00 in respect of injuries she allegedly suffered after	R3 035 000.00	The matter has not moved since July 2023, due to the Plaintiffs attorney's that had failed to comply with Rules of the Court in respect of carrying

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				she allegedly fell into a trench that was left uncovered at night where roadworks was being carried out at Back Street, Tlokoeng.		a Joinder of the independent contractor as a co-defendant in this matter. It remains their prerogative to take the matter further.
3	ELUNDINI LOCAL MUNICIPALITY // UNCEDA TAXIE ASSIATION (UGIE)	2189/2020	Gwabeni Inc	The Municipality appointed the attorney to lodge an application for Eviction proceedings against Uncedo Taxi Association in respect of Erf. 442, Ugie for illegal occupation of municipal property	None	The matter was lost on a technicality. The matter is going to be started afresh after the appointment of the panel of attorneys.
4	COUNTERPOINT TRADING // ELUNDINI LOCAL MUNICIPALITY		Mgxaji Incorporated	The Municipality terminated the contract of Counterpoint trade as a result of non-performance in March 2014. The Municipality thereafter received	R1 250 000.00	The Matter is ready for trail and the attorneys are waiting for the allocation of a trial date. The Attorneys are not co-operating on providing progress report.

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				summons from their attorney's claiming loss of profit as a result of the termination		
5	NANGAMSO CIVILS //ELM	4279/2016	Joubert Gaplin Searle	Summons were received for the claim of additional services rendered (LEHANA TO UPPER TOKWANA)	R961 155.60	Matter was withdrawn in court by the Plaintiff, and they were to pay legal cost of the Municipality. Cost consultant was appointed for the Municipality to have its bills of cost prepared and then taxed so that Municipality can request payment from the plaintiff. A request for confirmation of receipt of payment has been made, upon receipt the matter will be removed from the register.
6	ELUNDINI LOCAL MUNICIPALITY// MARAWU	N/A	Magqabi Seth Zitha Attorneys	The Municipality identified a Building Regulations contravention in Erf 466 Ugie for the Building which have not	None	A notice was served in December 2020, on behalf of the Municipality by the attorneys instructing Marawu to comply by submitting "as

Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				<p>been constructed in compliance with the legislation.</p> <p>Correspondence has been issued dating back from 2018 on contraventions relating to the National Building Regulations. On record, construction was noted on the site on 14 May 2018. As a result, a noncompliance notice was issued and received (and signed) by a representative of the owner on 29 May 2018. The matter highlighted in the notice of non-compliance was that the owner had proceeded with construction works without submitting a building plan application.</p>		<p>Built” building plans within 21 days. 21 days lapsed and there was no response received. As per the Council resolution the Attorney was instructed to serve another demand to the property owner seeking her action within a specified period of time and indeed the letter was served by the sheriff on the 04th day of March 2021. The time having elapsed without the property owner having acted in terms of the correspondence from the attorney, the attorney requested instruction from the Municipality to proceed with an application for a demolition order for erf 466 Ugie. A report was drafted for exco and the Council to recommend and take a decision on</p>

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				<p>The owner was advised to stop with the works and proceed with the necessary application process. The owner did not respond to this request.</p> <p>Following further inspection in the area, it transpired that the works had only been suspended, because on inspection on 03 April 2019, it was noted that further work has been done on the site and the flats were ready for occupation. The owner was contacted to ensure rectification of the works which had been done in contravention of the National Building Regulations. She was further</p>		<p>this matter.</p> <p>We are planning to resubmit the report for EXCO and the Council to recommend and take a resolution on this matter. So that we may proceed to seek Court Order for demolition or the matter be closed and be removed from the register.</p>

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				<p>advised to provide confirmation that all the necessary approvals for construction had been done by a registered Professional Engineer and that there are built drawings and certificates of approval be submitted so that she could be provided with a building permit.</p> <p>But still there was no response.</p>		
7	WIKUS VAN RENSBURG ATTORNEYS//ELUNDINI LOCAL MUNICIPALITY	62/2019	Clark Laing Inc	<p>Summons were received for a Claim for fees for professional services rendered to the Municipality. The Municipality felt that the fees were excessive and requested that their bill be subjected to</p>	R103 370.10	The matter has been settled, a request for confirmation of Payment has been submitted. Upon receipt the matter will be removed from the register.

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				taxation.		
8	ELUNDINI LOCAL MUNICIPALITY. COMMUNITY TRUST	N/A	Clark Laing Inc	Investigation into current status of the trust and revival of the business established in terms of the new trust to be established	None	The Matter was Finalised, A request of the Final report with recommendations, have been requested from the user department, once received the matter will be removed from the register.
9	SMAFIKA AND OTHERS //ELUNDINI LOCAL MUNICIPALITY	398 /2023	T.L Luzipho Attorneys	The Municipality had an agreement for the provision of electricity to the property known as Erf 3488 Maclear, with Ms. Nosipho Flora Nyezi (Ms. Nyezi) as the owner of the property. Ms Nyezi gave notice of termination of services rendered by the municipality and requested	N/A	Application for leave to appeal in respect of this matter has since been dismissed with costs by Hight Court. The applicants if they still want to pursue this matter, they are to approach the Supreme Court of Appeal for special leave to appeal. The Applicants approached Supreme Court of appeal, for a special leave to

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
				<p>to pay all the dues owed to the municipality for services rendered hereto in the property. After the necessary due consideration was given the electricity supply to the property was disconnected.</p> <p>As a result of the disconnection, the occupiers launched an application to force the Municipality to reconnect the municipality, at the time of notice of termination the municipality was not aware of who resided and/or, was residing in the property.</p>		<p>appeal, we have prepared answering Affidavit on the matter as we want the SCA to Dismiss their application for leave to appeal.</p>

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
10	BASSIE TRAVEL // ELUNDINI LOCAL MUNICIPALITY	RC204/2020	Gwabeni Inc	The Municipality received summons from the plaintiff claiming an amount of R268 271.71 for alleged non-payment of services rendered by the plaintiff.	R268 271.71	The matter is settled, we have requested the Court order that dismissed the case, once received the matter will be removed from the register.
11	ELUNDINI LOCAL MUNICIPALITY// VARIOUS MUNICIPAL LAND INVADORS		T.L Luzipho Attorneys	These are evictions proceedings against various land invaders in Mount Fletcher. Municipality launched Application for Interim Relief to prohibit the continued unlawful land invasion	None	The Court order was granted in favour of the municipality and was served to the respondents. A Court Order is requested for this matter, once received the matter will be removed from the register.
12	NKAOLISE JOSEPH JAKIE// ELUNDINI LOCAL MUNICIPALITY		Makade incorporated	The Plaintiff's claim is for damages resulting from alleged unlawful confiscation of his driving licence by the municipal traffic police.	R 800 000.	The matter is currently defended, and the municipality's attorneys of record have filed all the necessary pleadings and answering Affidavit and Plaintiff's attorneys have

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Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
						replied to the answering affidavit but have not yet set down the matter for hearing on the opposed motion roll.
13	SPSCA Mt Fletcher// ELUNDINI LOCAL MUNICIPALITY		Mbabane Maswazi Inc	The SPCA opened a case against municipal employees and security guard for cruelty to animals	None	Matter has been finalised the prosecution has since withdrawn the charges.
14	DIRK MARINUS VAN STADEN//MINISTER OF POLICE AND OTHERS		Tonise Attorneys	The plaintiff is claiming for damages arising from an alleged unlawful arrest by Municipal Officials	R 200 000.00	<p>The Municipality is defending the matter as the Municipality was not involved in the arrest. The arrest was made by provincial Traffic Officers.</p> <p>The plaintiff served the municipality with notice to discover information where they requested the particulars of certain officials, which the municipality responded and informed the plaintiff's representatives, of</p>

Table 15 Cases	Parties	Case Number	Municipal Attorney	Particulars Of the matter	Claim Amount	Status/ Progress
						the fact that municipality have no record of the information requested.
15	ELUNDINI LOCAL MUNICIPALITY// SIMPHIWE MNYUKWANA AND OTHERS, MUNICIPAL LAND INVADORS.	1012/2024	T.L Luzipho Attorneys	The Municipality launched an urgent application in High Court to restrain the respondents from demarcating and allocating sites and plots in two immovable properties which are owned by the municipality in UGIE	N/A	The matter was heard in the High Court and the respondents requested that the matter be postponed so that they may get legal representation to defend them. The matter was postponed and rescheduled to be heard on the 26 March 2024, where the court granted the order in favour of the municipality for Part A. Part B is on a Trial Stage rolled in the opposed Court Roll.

2.3.1.3 Contingent Liability

Contingent liability is a potential financial obligation that may arise depending on the outcome of a Court with regards to litigation that involves claims. . It's not guaranteed but could become a liability if pending lawsuits are granted in favour of the plaintiff the municipality will be ordered to pay the amount claimed with costs in terms of the principle that cost follows the cause. The table below show

the summary of litigation matters, contingent liability and payments made to the legal practitioners during 2023/2024 financial year.

LITIGATION TREND	NUMBER OF CASES PER CATEGORY	CONTINGENT LIABILITY	PAYMENTS MADE TO THE LEGAL PRACTITIONERS
Compliance related	1	R 0.00	R 117500.
Contractual and SCM related	5	R 4010439.5	R 202947.43
HR and Labour related	1	R0.00	R 146515,13
Public liability (MVA, bodily injuries, unlawful arrests etc)	3	R 3051595.13	R 0.00
Immovable property related (land use management, evictions, invasions, unlawful demolition etc)	1	R0.00	R 442336.09
General damages	1	R0.00	R 0.00
Other (specify)	0	R 0.00	R 0.00
TOTAL	14	R 7062033.63	R 909298.65

2.3.1.4 Legal Compliance

The legal Compliance report amongst other things, directs, oversee compliance by the municipality to legislation governing access to information and confidentiality of people's information held by the Municipality by guiding departments on the procedure to be followed on matters referred through PAJA, Consumer protection Act, PAIA and POPI and provide responses on behalf of the Municipality. For the financial year 2023/2024 Municipality had a total number of 4 legal compliance matters. The table below depicts the number of legal compliance matters that the municipality had for the year under review.

2.3.1.5 Contract vetting.

COMPLAINEE FUNCTIONS	NO OF MATTERS INHERITED FROM 2022/2023	NUMBER OF NEW MATTERS REGISTERED DURING 2023/2024	NUMBER OF MATTERS FINALISED DURING 2023/2024	NO OF PENDING MATTERS
PAJA related	0	0	0	0
Consumer Protection Act related	1	0	0	1
Public Protector related Act	0	1	0	1
PAIA related	0	1	0	1
POPI related	0	0	0	0
Financial Misconduct related	1	0	0	1
Total	2	2	0	4

The Legal Service and Compliance Unit conducts contract vetting which is the process of reviewing and analysing a contract to ensure that its terms are fair, clear, and legally sound. This involves checking for potential risks, ambiguities, or unfavourable conditions, and ensuring compliance with relevant laws and regulations. The goal is to protect the interests of the municipality involved and avoid future disputes.

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QUARTERS	CONTRACTS VETTED
Quarter 1	-
Quarter 2	-
Quarter 3	9
Quarter 4	10
Total	19

2.3.2 Risk Management

The municipality has strategic risk register and departmental operational risk registers, which were working documents. The strategic risk register had twelve risks, the reporting and submission of evidence was partially done on the system with few departments still using the excel spreadsheet to report and email to send evidence.

The strategic risk register has twelve risks, with one emerging risk on the strategic risk register under the Office of The Municipal Manager (legal and compliance unit).

The departmental operational risk registers: from all six departments were working documents and submitted quarterly to the risk management unit. However, the system needs a manual intervention when reporting or drawing reports, when conducting an assurance this includes when users are capturing and saving information on the system.

As per the approved municipal calendar, in the month of May 2024 the municipality requested facilitation services from the Department of Cooperative Governance & Traditional Affairs (COGTA). The workshop took place on the 16th and 17th May 2024, where risk committee members and standing invitees attended the workshop and participated in the process of risk identification. The workshop was facilitated by COGTA and Provincial Treasury. The workshop was over a period of two days with the outcome of a draft strategic risk register 2024/2025 financial year. The process used was identifying municipal strategic objectives and using them as a basis for risk identification. In finalising the strategic risk register the methodology used was the one in the adopted risk management policy in terms of risk impact, likelihood inherent risk exposure and residual risk exposure. Furthermore, the departmental operational risk registers 2024/2025 were completed on the 16 August 2024. The municipal departments have appointed risk champions as from 2024/2025 first quarter the risk champions will be doing the reporting to the risk management unit onwards.

2.3.3 Anti-Fraud & Corruption

ELM has anti-fraud & corruption anonymous hotline facility which is administered by Deloitte to report fraud and corruption cases anonymously. ELM receives reports on a monthly bases with regards to cases of fraud and corruption. The municipality maintains the anti-fraud register, for the quarter under review there were no new cases reported on the anonymous hotline (Deloitte) and in person. There were no new cases for the fourth quarter except for existing cases that were already reported in Quarter 3. The municipality's anonymous tips off facility to register such unethical conduct is as follows: -

- Anonymous hotline: 0800 117 844
- Free fax: 0800 007 788

- SMS: 32840
- Email: elundinitipsoff.com
- Free post: Free post KZN138, Umhlanga Rocks, 4320

2.3.3.1 Fraud & Corruption Cases Reported

Table 8: Fraud & Corruption Cases

	Date Fraud or Corruption Reported	Source	Fraud incident description (who, what, when, where how)	Investigation summary	Status	Outcome
Quarter 1	N/A	N/A	N/A	N/A	N/A	N/A
Quarter 2	N/A	N/A	N/A	N/A	N/A	N/A
Quarter 3	Reported in 2022/2023 financial year	Corporate Services	Inaccurate progress report on Infrastructure projects by PMU Manager and Project Manager.	Under investigation.	N/A	Matter is at municipal financial misconduct.
	Reported in 2023/2024 financial year	Corporate Services	An employee alleges that a supervisor requires money from them in exchange for positions	Under investigation.	N/A	Matter under municipal disciplinary processes
Quarter 4	There were no new cases for this quarter except for existing cases that were already reported in Quarter 3.					

2.3.3.2 Fraud & Corruption Anonymous Hotline

Fraud anonymous hotline system is recognised as the most common detective tool for fraud and corruption. It assures the anonymity of the reporter. The system has been a pioneer in the field of whistleblowing since 1999 and has built operating processes, systems and standards to ensure the protection of reporter identity and the integrity of the tip-off made. This report aims to show the number of calls made to the system.

Table 9: Fraud & Corruption Anonymous Hotline Calls

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Number of Cases
Number of Calls	05	0	0	2	1	4	1	2	0	2	0	5	22
Call Description	Wrong Calls & 01 Dropped Call in June												

2.3.4 Ethics Management

The ethics and integrity management strategy review was completed on the third quarter 2023/2024, the following policy document was used in the processes of strategy review and development, the 2016 Local Government Anti-Corruption Strategy was used to develop the tool and guide its utilization during maturity assessment. The framework is premised on the following principles that guide the municipalities in the implementation of the ethics and integrity programme. The municipal leadership to set the tone and drive good governance, community ownership the municipality to put in place initiatives to ensure transparent and accountable governance and community oversight, governance structures should be in place to ensure effective governance, and that the municipality should institutionalize integrity management initiatives based on the four pillars: prevention, detection, investigation, and resolution. The draft ethics and integrity management strategy was forwarded to the senior management for comments and inputs.

In line with the four pillars of the strategy the risk management unit, invited COGTA to present the 2016 Local Government Anti-Corruption Strategy to the Municipal Principals (Councillors). The workshop was held on the 18th June 2024 with the aim of setting the tone at the top. The municipal management was workshopped on the strategy during the second quarter on the 09 & 10 November 2023, where a municipal fraud risk register was developed.

The risk management unit submitted the draft ethics and integrity management strategy to SGC, EXCO and then was presented to the Council that set on the 31st May 2024. review to the Strategic Governance Committee for approval and further to council for adoption.

2.3.5 Communication

Communication is one of the key functions of the municipality to ensure that service delivery achievements and challenges are communicated efficiently and effectively to communities.

Communications had five key areas of focus for the year under review, namely: -

- Social Media Content Management
- Website content Management
- Outdoor LED Screens Content Management & Maintenance
- Municipal Publications development
- Local Communicator's Forum Coordination

2.3.5.1 Social Media

Social media communication was adopted as one of the main pillars of communication due to advances in technology and increase in access to gadgets like telephone, smart phones, tablets, iPads, computer, etc by community members. ELM currently has five social media platforms namely, Facebook, Twitter, Instagram, WhatsApp and YouTube to communicate service delivery. Service delivery information is communicated using these platforms to reach diverse audiences of the municipality. The table below shows the performance overview of these social media platforms for the year under review.

2.3.5.2 Municipal Publications

ELM has three publications, namely, The Buzz, The BlueSnow and The Back of the Horizon. These publications serve different purposes and to some degree different audiences. The Buzz is an internal publication which focuses on municipal internal matters such as the introduction of newly recruited employees; new or revised policies; updates on key decisions and events that affect employees and councillors. The publication is published twice in a quarter. The second publication, The BlueSnow is a Quarterly newsletter which communicates service delivery progress and other interesting community development initiatives to communities. The third publication is The Back of The Horizon which communicates service delivery twice during the term of each Council. For the year under review, the municipality implemented two of these publications – The Buzz and The BlueSnow. The Back of the Horizon was not due for implementation.

2.3.5.3 Local Communicator's Forum

Local Communicators Forum (LCF) is a forum composed of all sector departments, community structures, Councillors and Traditional Leader in Council, CDW's, Ward Committees, Business sector and other key stakeholders. The Forum was established to close a gap between the government and community by promoting access to information to ensure that information dissemination is broadly achieved by always reaching communities. The forum sits quarterly to table progress from all government departments including the municipality.

2.3.5.4 Websites Uploads

In accordance with Section 21A of the Municipal Systems Act, ELM has an official website, and its content management adheres to Section 75 of the MFMA which requires the municipality publicise documents on the official website. Furthermore, ELM uses its website to communicate information such as tenders, requests for quotations, tenders awarded, supply chain monthly reports, notices, vacancies etc on a weekly basis.

Below is the list of documents placed on the municipal website in adherence to Section 75 of the MFMA.'

Table 10: Website Content Upload

Municipal Website: Content and Currency of Material		
Documents published on ELM's / Entity's Website	Yes / No	Publishing Date
Draft IDP and Budget 2024 – 2025	Yes	05 April 2024
ELM Final IDP 2024– 2025	Yes	07 June 2024
ELM Final (Annual)Budget 2024-2025	Yes	14 May 2024
ELM Institutional SDBIP 2024/25	Yes	04 July 2024
Draft Annual Report for the Year ended 30 June 2023	Yes	15 February 2024
Final Annual Report for Year Ended 30 June 2022	Yes	05 April 2024
Adjustment Budget February 2023/24	Yes	28 February 2024
Adjustment SDBIP 2023/2024	Yes	12 March 2024
Oversight Report on the Annual Report for the year ended 30 June 2023	Yes	27 March 2024
IDP and Budget Process Plan 2025 – 2026	Yes	30 June 2024

2.3.6 CUSTOMER SERVICE

2.3.6.1 *Public Satisfaction on Municipal Services*

A total of four community satisfaction surveys were conducted for the year under review. The first survey assessed the satisfaction level of the Community with regard to solar water geysers. The second survey assessed the level of Community with regard to an investigation of service delivery towards the construction of the bridge from Moroqa to Sophonia. The third survey assessed the satisfaction level of the Community concerning the funding of the Siyamthanda Centre for the Disabled People 2023/2024. The fourth survey assessed the level of satisfaction for Horse racers and Communities towards the Mayoral Horse Racing Event 2023/2024.

2.3.6.1.1 *Solar Water Heater Geyser*

- 50% were satisfied with the process of consultation that was done by the municipality and 50% were very satisfied.
- 65% were satisfied with the improvement/changes in the consumption of electricity in your household and 35% were very satisfied.
- 40% were not satisfied with the level of your satisfaction with the manner in which the geyser is placed in your house and 60% were satisfied and no one is very satisfied.
- 55% were satisfied with the number of jobs created during the process of installation of the geyser and 45% were very satisfied.
- 75% were satisfied with the geyser that was installed in your home and 25% were very satisfied.

2.3.6.1.2 *Construction of Moroqa to Sophonia Bridge*

- 80% of the community members were very satisfied with the improvements and overall safe road to the Community of Sophonia after the completion of the project and 20% were satisfied.

- 61% of the Community members were very satisfied with the activities performed during the rehabilitation of the bridge while 30 % were satisfied and 9% were not satisfied.
- 98% were not satisfied with the employment of the community and 2% were satisfied. The House of the Traditional Leaders and the community called the meeting with the infrastructure department and other stakeholders to discuss the matters of employment.
- Is the project providing the planned services of assisting communities to cross the bridge safely?
65% were satisfied with the projects that were provided by the municipalities and planned services to assist the community to cross the bridge safely 30% were very satisfied and 3% were not satisfied.

2.3.6.1.3 Funding of Siyamthanda Centre for the Disabled People

- 50% of beneficiaries were satisfied with the quality of the information provided at the center, and 50% were very satisfied. Beneficiaries state that the information provided by the caregivers is accurate and reliable.
- 50% of beneficiaries were satisfied with the improvements in their lively wood upon receiving a device or material from the center, and 50% were very satisfied. Most beneficiaries state that their lives have changed for the better since.
- 33% of beneficiaries were satisfied with the level of care and support they receive from the centre, and 67% were very satisfied. According to the beneficiaries, caregivers do regular door-to-door visits and also make follow-ups on cases and referrals.
- 16% of beneficiaries were satisfied with being referred by the center to another institution and 84% were very satisfied. Surveys also show that the outcomes of these referrals are positive.
- 67% of beneficiaries were satisfied with the improvements that were made by the funding that the center received from the municipality, and 33% were very satisfied.

2.3.6.1.4 Mayoral Horse Racing

- 80% were satisfied with the information that was provided by the municipality during the registration mayoral horse racing event and 20% were not satisfied.

- 55% were very satisfied with the information that was dispatched during the preparation of the event, and it was also very transparent to the community/horse racers 45% were satisfied and 5% were not satisfied.
- 66% were very satisfied with the mayoral horse racing events because they changed the lives of horse racers/community and 34% were satisfied. Horse racers state that their lives have changed for the better.
- 92% were very satisfied with the improvements that were made by the municipality for mayoral horse racing and 8% were satisfied.

2.3.6.1.5 Customer Walk-in Services

Elundini Local Municipality acquired the Integrated Management Information System (IMIS) in 2018-2019. IMIS has 10 Modules for the municipality which include the Customer Care module to record/register Walk-ins. This customer care module makes it easier to trace complaints, requests, and compliments with reference numbers to improve on turnaround time in resolving the reported, solved, and unsolved cases/complaints. The system was effective from July 2019 after the installation of the IMIS system to the computers of customer Care Consultants.

The module is fully operational and implemented by the department. The total number of walk-in complaints received from July 2023- June 2024 is 507, and 249 complaints were loaded to IMIS all complaints and requests were recorded in the system from July 2023 to June 2024, and all were registered. All complaints were attended to and resolved within 7 working days.

Unplanned power outage faults after hours are reported on the emergency number, and attended within one working day after a complaint was lodged. Planned power outages, notices are distributed to the affected customers or areas within seven days prior to the planned outages. Planned outages do not exceed 24 hours.

Table 11: Customer Walk/In Reported Cases

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total No. of Cases
Number of Cases	47	39	60	37	23	12	53	50	38	49	43	56	507
Resolved Cases	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Unresolved Cases	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

2.3.6.2 *Presidential Hotline*

The Presidential Hotline is to provide citizens with a way to lodge complaints and queries where they feel they have not received the attention they deserve from other complaint mechanisms. The second objective was to use the Hotline to elevate the importance of complaints management in government as a whole, to ensure a steady improvement in the resolution of the complaints. The aim of the report is to give feedback about Presidential Hotline cases to unlock service delivery bottlenecks and to ensure that relevant services are rendered to the public.

Table 12 : Number of Presidential Hotline Cases

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Number of Cases
Number of Cases	0	0	1	1	0	0	0	0	1	0	0	0	03
Resolved Cases	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	N/A	0
Unresolved Cases	N/A	N/A	13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14	N/A	27 Cases were not resolved due to system problems OTP.

The office of the Premier takes time to remove the cases from the system while the cases are already resolved.

2.4 Supply Chain Management

Local Government: Municipal Finance Management Act requires the municipality must have and implement a Supply Chain Management Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with ‘Supply Chain Management’. Elundini SCM Policy has been adopted in line with Municipal Finance Management Act, Section 111 & 112, Supply chain management policy. It is important to note that in terms of the Municipal Finance Management Regulation 3, our reviewed policy was adopted by the council on the 31 May 2023 under resolution CONA/078/23, In December 2023 National Treasury introduced new Government Gazette No. 4198 local government: municipal finance management act, 2003 - amendments to regulations regarding supply chain management therefore by 27 March 2023 the policy was reviewed again under resolution CONA/052/24.

The SCM Policy integrates with the Transport and Catering policy, Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM), Contract Management Policy and Construction Procurement Strategy which is aiming at developing and mentoring emerging

enterprises. The role of the Council of a Municipality in maintaining oversight on implementation of its supply chain management policy is included in this policy and the Accounting Officer pursuant to Regulation 6 of the MFMA, prepares and submit a draft a supply chain management report complying with regulation 2 (a) & (3) to the council of the municipality for noting and adoption. The purpose of this report is to provide an overview of the SCM process in terms of Council's Supply Chain Management Policy (as amended), Section 9.3.1 of said Policy states that the Accounting Officer must, within 30 days of the end of each financial year, submit a report on the implementation of the policy to the Council. SCM is guided by the following legislative framework: -

- The Constitution of the Republic of South Africa (No. 108 of 1996), Section 217
- Local Government: Municipal Finance Management Act (No. 56 of 2003) (MFMA)
- Municipal Systems Act (Act 32 of 2000), Section 21A (MSA)
- Municipal Supply Chain Management Regulations (Government Gazette 27636 dated 30 May 2005) (SCM Regulations). Elundini Municipality Supply Chain Management Policy (SCM Policy).
- Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act Number 5 of 2000 (PPPFA).

Elundini officials and other role players in the supply chain management system of the municipality must implement the SCM Policy in a way that gives effect to Section 217 of the Constitution, which requires processes to be fair, equitable, transparent, competitive and cost effective. Council's mandate is to maintain oversight over the implementation of the SCM Policy and for the purposes of such oversight the Accounting Officer must within 30 days of the end of each financial year, submit a report on the Implementation of the Supply Chain Management Policy of the Elundini Municipality, to the Council.

The report will reference the following sub sections:

- Establishment of SCM Section
- Demand & Acquisition Management
- Contract Management and Vendor Performance

2.4.1 Establishment Of SCM Section

The unit has been established to implement Supply Chain Management Policy as per regulation 7 (1) of Supply Chain Management Regulation. The unit operates under the direct supervision of the Chief Financial Officer as required by regulation 7 (3) of the Supply Chain Management. The structure of the SCMU has been amended Pending approval for the financial year 2024/2025 in order to address the current shortcomings in the section.

2.4.1.1 Challenges

- There has been bottle necks in sitting of the Bid Evaluation Committee and Bid Adjudication Committee, hence there was a lot of back logs of bids that requires consideration back from November 2023.
- Poorly crafted specifications.
- Even though there are set dates for submission of specifications, there are few departments which did not submit the specifications, and the ultimate challenge relates to the entrenched lack of accountability leading to substandard service delivery.
- It is important to note that the user departments are not only responsible for allocation of resources, but cooperation is part of their roles and responsibilities too, so there is lack of cooperation from End user departments.
- Lack of integrated planning. If were to institutionalize the drafting of DMP and submission of specification, some of challenges could have been avoided.
- MIG Challenges.
 - ✓ The Municipality has appointed panel for the Framework Contracts for the Unpaved Roads for a period of three years (3) however this bid was subsequently challenged however the matter was resolved in as much that it caused delays in the implementation of Access Roads.
 - ✓ Underperformance of bidders that were appointed for Paved roads resulted to the municipality utilizing panel of managing contracts, hence all of them have shown substandard quality/poor workmanship on roads constructed by them.
- INEP Challenge
 - ✓ Consultants were appointed, although some of them do not respond on all RFQ's and the municipality is left with one professional engineer for the implementation of INEP. This has been considered when developing 2024/25 Demand Management Plan.

2.4.1.2 Demand & Acquisition Management

The municipality's system of acquisition management must ensure:

- That goods and services are procured in accordance with authorized processes only.
- That expenditure on goods and services is incurred in terms of an approved budget in terms of Section 15 of the MFMA.
- That the threshold values for different procurement processes are complied with.
- That bid documentation, evaluation and adjudication criteria and general conditions of a contract are in accordance with any applicable legislation; and
- That any Treasury guidelines on acquisition management are properly considered.

- A process flow of the demand plan was developed; each department populated Demand Management Plan, which was subsequently signed off by each department.
- To support the process, schedules for convening the committee meetings were developed and circulated to all SCM users. Challenges that brought non-compliance to the Demand Plan were late submissions of specification that resulted to late advertisement / implementation. Most projects are advertised due to non-adherence of bidders to the required specifications and functionality.
- Demand management plan was approved on the 21 July 2022
- Current procurement plan was approved on the 29 June 2023 and 57 projects were registered to be implemented. (Below table illustrates performance in terms of approved DMP)
- 26% on targets achieved, 33% projects with specifications not submitted at SCM.

Department	No of projects registered per department	Number of project specifications submitted to SCM	Number of projects still on process	Number of projects Awarded	Number of projects re-advertised	Number of project specifications not submitted to SCM	Number of projects Cancelled
Infrastructure Planning and Development	20	18	7	5	2	2	4
Corporate Services	7	6	2	5	0	1	0
Community Services	13	1	0	0	1	12	12
Finance Department	9	8	4	4	0	1	0
Planning and economic development	6	4	3	1	0	2	0
MM'S office	2	1	1	0	0	1	0
TOTAL	57	38	17	15	3	19	16

Reason for not achieving targets are as follows: -

- Re- advertisements due to non-responsive bidders
- Non-submission of specifications on time
- Sitting of the bid committees
- Cancellations due to budget constraints.

Goods and service are procured in accordance with authorized processes and approved delegations. Expenditure that has been incurred was budgeted for in the approved budget of Council. The bid documentation that is utilized is in accordance with the guidelines issued by National and Provincial Treasury, the general conditions of contract and applicable legislation such as the Construction Industry Development Board Act (Act 38 of 2000), LGFIPDM and we are continuously improving the documents in order to improve access and ease of use. SCM Unit had designed a procedure manual which is intends to improve governance in the SCM and also to provide guidance to the ELM officials in the procurement of goods and services. The municipality is preparing process flow charts helps to assign responsibility, communicate a process those unfamiliar with it, such as new employees and outside auditors, reducing the time needed to learn the details embedded in the Policy. Elundini Municipality is a small municipality with limited number of suppliers and service providers therefore it was perceived most pertinent to review service charter in order to guarantee reasonable timeframes and turnaround time.

2.4.1.3 Competitive Bidding For Contracts Valued More Than R300,000

The competitive bidding process and bid committee structures are functioning. Composition, mandate, roles and functions of the SCM Committees (Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee) has also been reviewed and officials serving on these committees are formally appointed by the Municipal Manager and are therefore required to complete declaration of interests forms that are signed by the Commissioner of Oath.

- Training of all SCM Bid committee members and other role players is done annually.
- A number of 28 Bids was awarded in 2023-2024
- Contract Management policy is in place was also approved on the 31 May 2023.
- Contract management systems are in place and fully functionalization of Contract Management as a tool for tracking projects could map the municipality to its success.

A template for assessing service provider and contractors in their performance has been formulated & utilized, this assist the municipality in continuous improvement of the service provider as the feedback for services rendered is given back to them so that they can improve in the arrears of their weaknesses.

SCM Regulation 36 - Deviations

Section 36 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement processes.

The expenditure incurred through deviation from normal supply chain management processes amounted to **R33,448,321.82**. The table below depicts expenditure incurred through deviation.

Table 13: Deviation Expenditure

DEPARTMENT	AMOUNT SPENT ON DEVIATIONS
Municipal Manager	R 117,702.38
Budget and Treasury	R 279,579.95
Infrastructure Planning	R31,616,956.27
Corporate Services	R1,129,024.76
Community Services	R 292,209.46
Strategic Planning	12,849.00
DEPARTMENT TOTALS	R33,448,321.82

This table depicts Section 36 (a) (i-v) and amounts incurred.

Table 14: Section 36 Compliance

Section 36 (1) (a) (i)	
Section 36 (1) (a) (ii)	
Section 36 (1) (a) (iii)	R6,000.00
Section 36 (1) (a) (iv)	
Section 36 (1) (a) (v)	R 33,442,321.82
Section 36 (1) (b)	
TOTAL	R33,448,321.82

(2022-2023: 15 370 694,80) (2023-2024: R33,448,321.82) Deviations were increased by R 18 077 627.02 during 2023-2024 Financial Year. The increase in number of deviations is caused by the appointment of infrastructure projects through deviation process, wherein the municipality was compelled to utilize funding on MIG however due to judicial review process it was impractical to follow SCM processes, same applies with the electricity vending services. The bulk of the deviations may be addressed via competitive bidding processes, proper planning and this office are continuing to assist user departments with the sourcing of specifications in order to attempt to reduce the

occurrence or re-occurrence of some deviations. A multi-year plan for operational activities can assist in the reduction of deviations, in essence, apart from having Demand Management Plan, SCM will attempt to develop a plan for all other items budgeted for each and every financial year regardless of the value.

2.4.1.4 Compliance with MFMA AND SCM POLICY

The municipality by all means necessary including strengthening of internal controls is trying to eliminate irregular expenditure

Table 15: Irregular Expenditure Comparison Between 2022 & 2023 Financial Year

Irregular expenditure consists of the following:				2024	2023
Opening Balance			0.00	118,558	
Irregular expenditure incurred			-	-	
Written off by Council			0.00	118,558	
To be recovered			-	-	
Closing Balance (Irregular expenditure awaiting council consideration)			0	0	
Details of irregular expenditure incurred				2024	2023
SCM Processes not followed			0	0	
Deviations not in line with SCM Regulation 36			0	0	
Incorrect calculations of Preferential Points during evaluation			0	0	
Breach of Regulation 29 , where there was less than 4 Senior Managers sitting in the BAC			0	0	
Making use of non compliant service providers			0	0	
Policy not followed when appointing an employee : Ms S Batyi			0	0	
Variation order not in line with SCM Policy			0	0	
Overpayment of exit benefit to Senior Manager			0	0	
Excess payment on approved total remuneration package of senior managers			0	0	
Councillor acted without authority in contract entered with supplier			0	0	
TOTAL			0	0	
Number of incidents				2024	2023
SCM Processes not followed				0	0
Deviations not in line with SCM Regulation 36			0	0	
Incorrect calculations of Preferential Points during evaluation			0	0	
Breach of Regulation 29 , where there was less than 4 Senior Managers sitting in the BAC			0	0	
Making use of non compliant service providers			0	0	
Variation Order not meeting SCM Policy requirements			0	0	
Policy not followed when appointing an employee : Ms S Batyi			0	0	
Overpayment of exit benefit to Senior Manager			0	0	
Excess payment on approved total remuneration package of senior managers			0	0	
Councillor acted without authority in contract entered with supplier			0	0	
Total			0	0	

3. SERVICE DELIVERY PERFORMANCE

PART I

3.1. Basic Service Delivery

Basic Services had a total of 22 indicators including indicators that were in the top and lower layer of the SDBIP. A total of 13 indicators were achieved which accounted for 59.09%. Out of the 22 indicators, a total of 02 indicators were partially achieved and 07 were not achieved. That accounts to 31,82% non-achievement and 9.09% partial achievement. The following sums up basic service delivery achievements for the year under review: -

- Out of 3.90kms of roads construction that was planned, 5.46kms was constructed.
- One bridge was planned for construction; however, three bridges were constructed (additional two were the Sophonia bridges that were rolled over from the previous financial year).
- 2.54kms of urban roads were maintained.
- Completion of Phase 2 of municipal building construction.
- 308 households in electrification programme were connected.
- 4kms of bulk infrastructure (link line) was constructed
- Public lighting maintenance was achieved at 100%
- Maintenance of electricity network was completed
- Two electricity networks were upgraded.
- 22 Streetlights and 02 high mast lights were installed
- Refuse was collected in 59 areas inclusive of households and commercial properties
- Out of 20 roadblocks planned, a total of 33 roadblocks were conducted.
- 4,288 indigent households received free basic services.

COMPONENT A

The Elundini Local Municipality is mandated as per Chapter 8 of the Municipal Systems Act, Act 32 of 2000, as such, waste management services amongst others, refuse collection is a mandatory basic service that should be rendered effectively and efficiently by municipalities.

3.1.1.1 Kerbside Refuse collection and Street sweeping

The ELM renders refuse collection services in all its urban areas as well as peri-urban areas as per the approved refuse collection schedule that is reviewed each financial year. The aim of the review is to

cater for additional areas that either new or have been formalised to be eligible to receive such services. This financial year, there are no additional areas eligible to receive the service.

Refuse collection is rendered to households and commercial businesses within Elundini as per the approved collection schedule, through kerbside collection on a weekly basis. Street cleansing (sweeping) is conducted on ad-hoc basis due to challenges of urban design / town planning where parking bays for public transport is not adequate, as such, the main streets in the CBD are utilised. This results in the inability to access the streets, especially in winter season where the shift work system is impossible due to safety issues as well inadequate budget for overtime. The municipality where possible (budget), can conduct street sweeping from 5AM – 8AM (morning) and 6PM -8PM (afternoon) during summer and the winter season would be impossible to achieve.

The municipality experiences a lot of fleet break-down and as such, the current procurement system makes it difficult for quicker turn-around times with regards to repairs/service by appointed service to provide. This results in backlogs and inability to adhere to the approved collection schedule, posing potential danger to communities as well as the environment.

Clearing of Illegal Dumping sites

Illegal dumping of waste by communities is rife in the ELM, even communities where refuse collection services are rendered and where education and awareness campaigns are conducted. The main issue is the paradigm shift as well as inadequate waste receptacles, in that, communities do not provide waste bins/refuse bags for their generated waste. The ELM resorted to develop an annual awareness campaign incorporating quarterly programs for clearing of illegal dumping, which costs the municipality a lot of resources. The municipality receives great help from the EPWP program in terms of additional numbers of staff in order to service the CBD, households as well as illegal dumping sites. ELM has received R5 000 000.00 funding from Department of Economic Development Environmental Affairs & Tourism for clearing of illegal dumping sites. 121 job opportunities were created and planned to clear 84 illegal dumping sites and managed to clear 60, 24 are maintained.

There was also flood mopping programme that was implemented by Department of Forestry Fisheries & Environment for the municipality where 136 job opportunities were created which also contributed in cleaning and implementation of waste management programmes.

3.1.1.2 Environmental Education and Awareness raising

There's an annual education and awareness plan that is developed each financial year, detailing areas to be targeted for awareness activities and this is coupled with the cleaning of illegal dumping sites. All areas of the ELM where refuse collection services are rendered are targeted quarterly for

the campaigns, the aim is to educate communities as well as business on their role regarding proper waste management in their premises. The municipality also works with schools as well as Echo schools in terms of education and awareness campaigns were conducted for the 2023/24 FY.

The unit strives to source / develop pamphlets and educational material are disseminated to the various stakeholders, there's also the use of the LED screen managed by the Communications unit, where environmental messages are flighted for educational purposes.

3.1.1.3 Recycling Initiatives

The Ugie Materials Recovery Facility (MRF) has been repaired but still awaiting electrification by Eskom. The municipality is still struggling to receive support in order to energise the structure to allow for its use by the relevant recycling cooperatives or independent person/s in the municipality. There is currently a total of about 4 registered recycling cooperatives which are doing recycling on smaller scale as well as various waste pickers who are not yet registered. The completion of the MRF in Ugie is set to increase the recycling activities enough to ensure diversion of significant amount of waste from being landfilled which saves both costs and conserve landfill airspace.

The ELM for 2023/24 FY has provided support to its recyclers as well as waste pickers by partnering with PETCO to provide training/workshop so that recyclers are kept abreast of the changes in terms technologies, systems, legislative requirements as well various platforms for sourcing of funding. The ELM also continues to engage and urge informal waste pickers to be formalised so that funding opportunities are accessible as well as any other support the municipality deems fit for their benefit.

3.1.1.4 Landfill sites Operations

The ELM is responsible amongst other things for the establishment, operation and management of landfill sites. There are 3 licensed landfill sites for all the three towns, where only two sites are operational i.e. Ugie Landfill site and Mt Fletcher landfill site. All 3 landfill sites are permitted under Section 20 of ECA, with each permit detailing conditions under which each site should adhere to as legally required by various Environmental Management Regulations. The operated landfill sites do not comply with the permit conditions, the major reasons for non-compliance is caused by non-availability of relevant plant for landfill site operations.

Community Services Department has applied through DFFE to be granted approval through MIG to procure specialized yellow fleet that will assist in management of landfill site operations including waste collection and transportation. An amount of R16 000 000.00 was approved and procurement of such specialized yellow fleet will be effected from 2024/2025 FY, where R10 000 000.00 will be allocated in 2024/2025 FY budget and the rest will be procured in the coming years.

3.1.1.5 Achievement in Waste Management Program

Approval of R16 000 000.00 budget for procurement of specialized yellow fleet through MIG funding. Employment of 136 beneficiaries by the Department of Environment, Forestry and Fisheries (DEFF), through the flood mopping program, for assisting the municipality with refuse collection, clearing & management of illegal dumping areas, greening and beautification as well as the management of parks and open spaces. This program is one of many by the department in aiding municipalities achieve clean and green towns as well create job opportunities for the ELM's beneficiaries. The department also applied for a program to host graduate interns in the field of environmental management, the South African Biodiversity Institute (SANBI) approved the application. A total of eight (8) graduate interns have been placed in the municipality for on the job training for a period of two (2) years. The internship will assist the graduates with experience that will aid them with better chances of employment.

3.1.1.6 Parks, Amenities and Open Spaces

The municipality's indirect contribution to greening and landscaping of spaces is done through honouring Arbor Week which is an annual event every September through which donated trees are distributed to local schools the remainder of such trees being planted around sport fields and parks. Arbor month celebrations were conducted with success at Ugie. Beautification of parks and open spaces within the municipality is conducted on a Quarterly basis for the eradication of illegal dumping of waste as well for promoting greening. There's no set budget towards the development / maintenance of parks as such, this limits the department's ability to achieve the desired end-state of having compliant parks for recreational purposes.

3.1.1.6.1 Community halls

The community halls are in dire need of refurbishment and the challenges of budget allocation to different departments has rendered community services inefficient due to the inability to manage and maintain the facilities. Institutional arrangements need to be reviewed in order for the municipality to recoup the missed opportunities with regards to revenue from these facilities.

3.1.1.6.2 Sports fields

The sports facilities require major refurbishment and the challenges of budget allocation to different departments has rendered community services inefficient due to the inability to manage and maintain the facilities. Institutional arrangements need to be reviewed in order for the municipality to recoup the missed opportunities with regards to revenue from these facilities.

3.1.1.6.3 Cemeteries

The ELM's cemeteries require fencing in order manage access control as well curb vandalism. The gravesites in all three towns are close to full capacity, a request of suitable land for the development of new compliant cemeteries has been submitted to the planning department. The allocation of

land, sourcing of budget as well as the construction of new cemeteries needs to be prioritised by the municipality.

3.1.1.6.4 Pounds

The municipality does not have animal pounds, only holding facilities that are non-compliant. The institution needs to set aside budget for the development a compliant pound with all the required infrastructure as per the Animal Act. This has to be coupled with the prioritization of the appointment of a Pound Master who will be responsible for the operation, maintenance and management of animal pounds in order to comply with relevant legislation.

3.1.1.7 By-law Enforcement / ENatis / Traffic services

The municipality has resourced its law enforcement wing by recruiting four officers which have been trained as peace officers. This addition has sought to increase the level of implementation of all municipal bylaws from violations regarding electricity meter tempering, land invasion, illegal street trading, impoundment of stray animals as well as violations of fire bylaws and illegal dumping.

3.1.1.8 Parks, Amenities and Open Spaces

Even though there are no major landscaping initiatives undertaken during the year by the municipality the introduction of a sustained open spaces beautification program has seen a marked difference within towns. These initiatives are spread across all three towns. The operation of rural community halls has been improved through a management model that allows communities to elect local committees chaired by either the ward councillor or area Chief. The model has been canvassed with the affected rural communities and was positively received for implementation in the next financial year.

The municipality's indirect contribution to greening and landscaping of spaces is done through honouring Arbor Week which is an annual event every September through which donated trees are distributed to local schools the remainder of such trees being planted around sport fields and parks.

3.2 Electricity

3.2.1 Rural Electrification

The municipality was granted the distribution license by NERSA as a result some areas of Elundini Local Municipality (ELM) are provided by the municipality in terms of electricity. The municipality has experienced a loss over the years however, the project of installing the smart meters is one of the strategies that intend to curb such losses. The municipality is working with Eskom to eradicate electrification backlog within Elundini LM hence the municipality is electrifying some villages and thereafter handover the completed projects to Eskom for operations and maintenance. During

2023/24 financial year, the municipality connected a total number of 308 households to electricity in Westhoek with 50 households and 4km link line, Xaxazana Zone 14 84 households, Skote 88 households and Mahemeng (Iketleng) with 86 households and did the designs for Top Block households (178HH), Top Block link line(7km), Koebung P2(124) and Showini (60HH). The municipality is now close to reaching the universal access in terms of electrification. The challenges experienced in electrification are infills that always come after the area has been finalised.

Table 16: Household Electrification

WARD	NUMBER OF VILLAGES	TOTAL HOUSEHOLDS	ELECTRIFIED	NOT ELECTRIFIED	% NOT ELECTRIFIED	Electrified in	
						2023/24 FY	
						Eskom	Elundini LM
1	12	2 823	2 635	188	7%		
2	7	3 275	3 275	0	0%		
3	12	2 381	2 220	161	7%		
4	21	2 336	1 797	539	23%		
5	15	2 712	2 348	364	13%		
6	10	4 968	4 132	836	17%		
7	24	3 378	3 100	278	8%		
8	21	2 502	2 499	3	0%		
9	6	2 354	2 354	0	0%		
10	15	3 962	3 470	492	12%		308
11	16	3 065	3 054	11	0%		
12	12	4 430	4 420	10	0%		
13	10	2 773	2 456	317	11%		
14	15	2 708	2 700	8	0%		
15	10	8 071	7 520	551	7%		
16	25	3 960	3 800	160	4%		
17	16	2 866	2 689	177	6%		
TOTAL	247	58 564	54 469	4 095	6%		308

3.2.2 Municipal Network

The table below is the capital expenditure in the electricity division during the year under review:

Table 17: Electricity Capital Expenditure

Capital Expenditure 2023/2024: Electricity Services					
R' 000					
Capital Projects	2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget/Pending Payments	Total Project Value
Total	R15 459 000,00		R14 400 000.00	0	R14 400 000.00
Top Block pre-eng 178HH	R691 431,75		R691 431,75		R691 431,75
Top Block 7km Link Line (pre-eng)					
Showini pre-eng 60HH	R364 866,84		R364 866,84		R364 866,84
Koebung P2 pre-eng 124HH					
Westhoek 50HH and 4km Link Line	R3 371 013,60		R3 371 013,60	0	R3 371 013,60
Xaxazana Zone 14 84HH	R2 416 373,43		R2 416 373,43	0	R2 416 373,43
Skote 88HH	R3 627 674,12		R3 627 674,12	0	R3 627 674,12
Mahemeng (Iketleng) 86HH	R4 194 488,93		R4 194 488,93	0	R4 194 488,93
22 xStreet Lights	R2 421 500,42	Ward 3	R2 230 626,14	0	R2 230 626,14
2x Highmast Installation		Ward 16			
Network upgrades					
Conversion of 11kV Overhead line to 11kV underground cable at Rugby street and new installation of 500kVA mini- sub for Erf 4659 Nqanqarhu Town	R2 940 613,94	Ward 3	R2 608 076,18	0	R2 608 076,18
The supply and installation of smart meters and bulk meters within Elundini LM	R19 829 853,25	Ward	R19 583 461,32		R19 583 461,32

The table below depicts the number of filled and vacant positions in the Electrification Unit which reflects 22,76% vacancy rate in the electrification programme.

Table 18: Electricity Services Employment

Employees: Electricity Services					
TASK Grades	Employees	2022/2023			
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		No.	No.	No.	%
0 to 3	3	3	2	1	5.5%
4 to 6	5	5	3	2	11.76%
7 to 9	2	2	1	1	5.5%

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10 to 12	6	7	7		
13 to 15	-	-	-		
16 to 18	1	1	1		
19 to 20	-		-		
Total	17	18	14	4	22.76%

3.3 Housing

Section 26 of the Constitution of South Africa emphasizes the right to adequate housing, obliging the State to take reasonable measures to achieve its progressive realization. As stipulated in Schedule 4, housing is a function of National and Provincial Governments. Elundini Local Municipality, though not accredited to implement housing projects, plays a vital facilitation and support role in the housing delivery process.

In the 2023/2024 financial year, the Municipality continued to fast-track township applications, coordinate housing stakeholder forum meetings, and foster partnerships with the private and public sectors to address the housing backlog. However, land invasion threats persist, and mitigating interventions will be employed to minimize their impact on municipal housing planning and budgeting.

The Municipality's housing unit, comprising a single official, serves as a crucial link between Elundini Local Municipality and the Eastern Cape Department of Human Settlements. Key housing projects and initiatives for the 2023/2024 financial year include:

a) DEVELOPMENT OF INFORMAL UPGRADING OF KUTLAONONG

The Eastern Cape Department of Human Settlements through the Housing Development Agent has appointed Professional Services of AES Consulting Teams to prepare informal settlement upgrading plans for selected informal settlements in the Municipal area. The scope of work entails but not limited to the assessment, categorization, developing the informal settlements upgrading plans and the sustainable livelihoods programmes for informal settlements.

PROGRESS STATUS (YEAR ENDING 2023/24)

- The permanent services for the layout plan, which includes the design and infrastructure requirements for roads, water, electricity, and sewerage, have been submitted to the Infrastructure Department for consideration and endorsement.
- The informal upgrade project is complete with outstanding tasks including the handover process facilitated by the managing consultant and acquiring signatories for completed works refers.

b) MQOKOLWENI 305 AND MBIDLANA 300 HOUSING UNITS
PROGRESS STATUS (YEAR ENDING 2023/24)

Mqokolweni and Mbidlana Rural Housing Projects is comprising of 305 and 300 units respectively and was approved for implementation. The Eastern Cape Department of Human Settlements has made the following progress to date:

MQOKOLWENI 305

- We have a total of four parties on site, including the main contractor and three subcontractors, working collaboratively to ensure the project's progress.
- Our social facilitation team has successfully engaged with the beneficiaries, educating them on the project's benefits, timelines, and expectations. This outreach effort has helped build trust and foster a sense of community among the beneficiaries, ensuring their needs and concerns are addressed throughout the project.
- 60 houses have been completed and officially handed over to the beneficiaries.

MBIDLANA 300

- The main contractor is on site
- 188 houses have been finished
- Lukho contractor for 25 units has been introduced to community and has not started.
- Project Steering Committee (PSC) has been re- established ensuring effective oversight, guidance, and decision-making to drive the project forward.

c) KUEBONG 290 HOUSING UNITS
PROGRESS STATUS (YEAR ENDING 2023/24)

Kuebong Housing Project is comprising of 290 units and is currently under implementation. The Eastern Cape Department of Human Settlements has made the following progress to date:

- We are pleased to report that 267 houses have been completed and handed over to the beneficiaries. This marks a significant milestone in our efforts to coordinate the provision affordable housing to those in need.
- Currently, the contractor is on site, working closely with the Department of Human Settlement to address any outstanding issues (snags) that need to be rectified. This collaborative effort ensures that the homes meet the required standards and are safe for occupation.

d) EMERGENCY HOUSING PROGRAMME
PROGRESS STATUS (YEAR ENDING 2023/24)

The Department of Human Settlements plays a crucial role in disaster relief efforts, particularly in managing infrastructure and human settlements affected by disasters. As of April 1, 2023, the department has taken over the implementation of emergency housing to respond faster to disaster victims' needs. Resources include provision of temporary housing relief to those in urban and rural areas facing emergency situations. The Eastern Cape Department of Human Settlements has made the following progress for the period ranging from 1st April 2024 to 30th June 2024:

- A total of 7 applications for destitute benefits have been successfully submitted to the Human Settlement Department. These applications come from various wards, including:
 - Ward 3: 2 applications
 - Ward 1: 2 applications
 - Ward 15: 1 application
 - Ward 16: 2 applications

These efforts demonstrate the Municipality's commitment to supporting the progressive realization of the right to adequate housing, despite the challenges posed by land invasion threats and limited resources.

3.3.1 Free basic services and indigent support

3.3.1.1 Free Basic Services and Indigent Support

The ELM implements an indigent management policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all indigent households within the area of jurisdiction. The municipality reviews the policy annually, which basic intentions are to ensure poor households are not denied their constitutional right of access to basic services. This assists any household with a combined income not greater than twice the annual official old age pension eligible to receive Free Basic Energy or Free Basic Alternative Energy as a result. For households that have been officially recognized as destitute, there is a free basic solid waste removal as well as a complete property rate subsidy.

The municipality oversees FBE (Free Basic Energy) working with Eskom and FBAE (Free Basic Alternative Energy). FBE in the rural areas is currently covered by a Service Level Agreement (SLA) that is in place with Eskom. The technical data (20 A supply) is the basis for this. ELM managed to provide free basic services to 4,288 qualifying households. The number of qualified

beneficiaries is concerning as the municipality has many indigent households. To prevent those who experience changes in their financial circumstances from having to wait until the end of the fiscal year to receive their legally entitled assistance, our Indigent Register is updated on monthly basis.

In terms of its powers and functions, the Joe Gqabi District Municipality is the Water Services Authority and is therefore responsible for the implementation of all water and sewerage services, this includes the provision of water as part of free basic service.

For the year under review, the indigent management policy is an integral part of the Elundini Tariff Policy that is developed and implemented transparently to ensure the sustainability of local public services to all of its citizens at an affordable cost. Critically as part of ELM's commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation programme, the indigent support funding envelope has R23.8 million over 2023/2024-2024/2025 – 2025/2026 MTREF. The table below indicates the number of households with access to free basic services

Table 19: Free Basic Services

Free Basic Services to Low-Income Households						
Number of households						
Years	Total	Income threshold is an income of not less than two state pensions per month	Guideline relation to the household income threshold is an income of not less than two state pensions per month			
			Free Basic Electricity		Free Basic Refuse	
			Total	Access	%	Access
2020		5 118	4 965	97	153	3
2021		4 789	4 156	86	633	14
2022		5 914	5 177	87	737	13
2023		5 933	5 049	85	884	15
2024		4 288	3 432	80	856	20

COMPONENT B

Roads and transport

3.4 Roads

ELM, during the year under review, managed to achieve the construction and upgrading of roads. As at the end of 30 June 2024, staff complement in the Building & Civil Works Unit, comprised of the following personnel:

Table 20: Staff Compliment in Building and Civil Works Unit

Position	Number of employees	Filled	Vacant
Director Planning and Infrastructure Development	1	Filled	N/A
Manager Building and Civil Works	1	Filled	N/A
Administration, Database and Contracts officer	1	Filled	N/A
Road's technician (Urban Roads and Rural maintenance)	2	Filled	N/A
Building Control officer	1	Filled but moved to Planning and Development	N/A
Foremen (Urban Roads maintenance, Rural Maintenance and storm water maintenance)	3	Filled	N/A
Plant Mechanic	1	Filled	N/A
Artisan Aids (Plant mechanic)	2	Filled	N/A
Plant Operators	12	Filled	2 vacant posts for operators
General Workers	5	Filled	N/A

3.4.1 Access Roads

The table below reflects the roads constructed by the municipality in kilometres from 2017/18 financial year to 2023/24.

Table 21 : Road Infrastructure

Financial Year	Kilometres					
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded	Gravel roads upgraded to tar/Paved	Gravel roads graded/maintained	Surfaced Road maintained
2017/18	525km	29.46km	10.514 km	-	39.8 km	4712 m ²
2018/19	525km	-	14.7 km	-	202.55 km	2626m ²
2019/2020	525km	12.2km	23.25 km	3.7km	205.01 km	6953m ²
2020/2021	525km	34.7km	6.8km	2.9km	179.6 km	5009m ²

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2021/2022	525km	10.15km	0km	0km	174.88km	1.088km
2022/2023	525km	7.98km	7.3km	0km	152km	0,5m
2023/2024	533km	4.2km	4.2km	2.5km	95.4km	2349m ²

3.4.2 Reports on Road / Capital Projects:

Table 22: Road Capital Projects

Implemented Project Name	Construction Status	Comment
Construction of Refele Sports Field	100%	<ul style="list-style-type: none"> • FREEMASON was appointed and handed the site on 14 February 2023 • Scheduled completion was 30 October 2023 and extended to 14 Dec 2023 • Project was certified practically complete on 14 December 2023.
Surfacing of Ugie Streets & Stormwater Phase 1	100%	<ul style="list-style-type: none"> • Devomix Contractor was appointed on 21 August 2023 and Package Order issued on 06 Sept 2023 • Revised scheduled completion date was 16 April 2024 • Project was certified practically complete on 15 April 2024.
Surfacing of Greenfields Streets & Stormwater Phase 1	100%	<ul style="list-style-type: none"> • Manong Construction was appointed on 11 July 2023 and Package Order issued on 03 August 2023 • Revised scheduled completion date was 28 June 2024 • Project was certified practically complete on 28 June 2024.
Construction of Castle Rocks & Bridge	100%	<ul style="list-style-type: none"> • Milwa Construction appointed and site hand-over done on 02 May 2023. • Scheduled completion is 31 October 2023 and extended to 14 December 2023 • Practical completion was certified on 14 December 2023.
Surfacing of Mt Fletcher Urban Roads Phase 1	100%	<ul style="list-style-type: none"> • Milwa Construction appointed on 11 July 2023 and site hand-over done on 04 August 2023 • Revised scheduled completion date was 28 June 2024 • Project was certified practically complete on 28 June 2024.
Epainette Mbeki Access Road (Planning Project)	100%	<ul style="list-style-type: none"> • Task order was issued to Olon Consulting for Design and Planning on 06 Sept 2022 • Preliminary designs complete. Construction stage planned for 2025/26FY
R56 to Khalankomo Upgrade (Planning Project)	100%	<ul style="list-style-type: none"> • Task order was issued to Olon Consulting for Design and Planning on 06 Sept 2023 • Preliminary designs complete. Construction stage planned for 2025/26FY
Construction of Xaxazana Special School Access Road (Planning Project)	100%	<ul style="list-style-type: none"> • Calliper was appointed on 06 Sept 2022 • Design and Planning Stage ongoing. (EIAs) Construction is planned for 2024/25 FY
Construction of West Hoek Access Road (Planning Project)	100%	<ul style="list-style-type: none"> • Calliper was appointed on 06 Sept 2022 • Design and Planning Stage ongoing (EIA) Construction is planned for 2025/26 FY
Katlehong Township and Ilisolomzi Township Streets (Planning Project)	100%	<ul style="list-style-type: none"> • BMK Engineers were appointed on 18 August 2023 to carry out Planning work which is currently ongoing.
Upgrade of Hopedale Sportsfield	80%	<ul style="list-style-type: none"> • ZKS and Nam were appointed on 28 Sept 2023 Scheduled completion was 20 June 2024 however due budget shortfall

		the project is carried over to 2024/25 Financial Year.
Mt Fletcher Public Toilets	80%	<ul style="list-style-type: none"> • Mado Contractors was appointed on 12 June 2023 and Package order was issued 06 September 2023. • Managing Contractor, Devomix was appointed on 25 May 2023. • Scheduled completion for the project was 29 Feb 2024. An extension of time was granted to the contractor to 26 April 2024 due to VO not approved.
Upgrade of Sonwabile Streets and Stormwater Remedial Works Phase 2	100%	<ul style="list-style-type: none"> • Zuks Development was appointed on 30 November 2023 to construct concrete V-Drains to complete the Stormwater management component of the remedial work and was later given an additional scope to construct 2x pipe culverts crossings. • Maboka JV Mahlubi were appointed as Managing Contractor for the project on 14 December 2023. • Scheduled completion date was 20 June 2024 • Project was certified practically complete on 28 June 2024.
Mt Fletcher VTS	100%	The project is in defects period stage.
Marhoqa to Sophonia Bridges	100%	The project was practically complete on the 22 November 2023 and currently on defects liability period till 22 November 2024.

3.4.3 Implementation of the Subcontracting Strategy

The municipality's Construction Procurement Strategy is designed to benefit local SMMEs from Elundini Municipality to participate in infrastructure projects as subcontractors as per the adopted subcontracting strategy. A total number of 7 local SMMEs benefited during project implementation. See SMME package details for the projects below.

Table 23: Infrastructure Projects

Project Name	Local Contractor /SMME Name	Scope of Work	Award Date	Completion Date	Total Amount Awarded	Expenditure to date	Progress Status
Upgrading of Ugie Access Roads.	1. Tsododo Trading	• Kerbs and Paving works	28 November 2024	15 April 2024	R932 608,50	R932 608,50	100% Work is complete
	2. Sinako Mthunzi Construction	Kerbs and Paving works	28 November 2024	15 April 2024	R932 608,50	R932 608,50	
Greenfields Streets and Stormwater	3. Ezamajola	• Head walls, sub-soil drainage and culverts	14 February 2024	28 June 2024	R723 768,89	R723 768,89	100% Work is complete
Surfacing of Mt Fletcher Urban Roads	4. Mountain Roads	• Screeding with river sand, Placing paving block, Grouting and compact,	11 March 2024	28 June 2024	R344 000,00	R344 000,00	• 100% Work is complete

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		Kerbs and Channelling					
	5.Premax Civils	Screeding with river sand, Placing paving block, Grouting and compact, Kerbs and Channelling	11 March 2024	28 June 2024	R344 000,00	R344 000,00	100% Work is complete
Remedial Works for Upgrading of Sonwabile Streets and Stormwater Phase 2	6.Zuks Construction Development	• Construction of concrete V-Drains to complete the Stormwater management component of the remedial work	30 November 2024	28 June 2024	R1 930 657,19	R1 930 657,19	100% Work is complete
Mount Fletcher Public Toilets	7.Mado Contractors	• Construction of Public Toilets in Mount Fletcher	12 June 2023		R1 195 855,53	R1 195 855,53	The works still on going by 30 June 2024

PAVED ROADS



3.5 Rural Roads Maintenance

In the maintenance of municipal roads, ELM had the following plant during the year under review:

Plant: -

2 Graders, 2 TLBs, 3 ADTs, Excavator, Agrico, 2 Rollers, 18 000L Water Tanker AWT, 10 cubic water truck, 8 000 L water truck

Vehicles: -

4 x LDV.

2 x Mahindra Bolero and.

2 x Toyota Avanza

The table below depicts the kilometers of gravel roads maintained, constructed, and upgraded to a surfaced standard:

Table 24: Gravel Roads Maintained, Constructed & Upgraded FY 2023-2024

PERIOD	MONTHS	ROAD NO	AREA	WARD	PLANNED KM	ACTUAL KM COMPLETED	TYPE OF MAINTENANCE
Q-1		AC30155	Mqokolwen-Ngxocho	6	6	6	Regravelling
		AC30396	Mqokolweni D	6	4.5	4.5	Reshaping
		Unnamed	Komkhulu-EmaBheleni	6	1	1	Regravelling
		Unnamed	Lower Ngxaza- Qolombana	5	4	0	Reshaping
		AC30406	St Augusting to Mbonisweni	5	9	0	Regravelling
		Unnamed	MtsheziB- Sidakeni	5	5	0	Reshaping
		AC30400	Sithana	5	7	0	Reshaping
		Unnamed	Matiguru	4	0	0.6	Bladding
TOTALS					40	12.1	
PERIOD		ROAD NO	AREA	WARD	PLANNED KM	ACTUAL KM COMPLETED	TYPE OF MAINTENANCE

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Q-2		Unnamed	Drayini	5	2	0	Reshaping
		Unnamed	Lower Ngxaza- Qolombana	5	16	0	Reshaping
		AC30401	Mcwangele B	5	2.6		
		AC62793	Mcwangele A	5	2.4	0	Regravelling
		Unnamed	Sithana	5	7	0	Reshaping
		Unnamed	Khethe-Khethe- Nkalweni	16	0	2.5	Blading
		Unnamed	Matiguru	4	0	0.9	Blading
		Unnamed	Taung	16	0	1.8	Blading
		AC30155	Mqokolweni- Ngxotho	6	5	3.5	Gravelling
		Unnamed	Drayini-Ramatee-Greatplace	7	0	14.2	blading
		Unnamed	St Augustines	5	0	0.9	gravelling
SUB-TOTALS					35	23.8	
PERIOD		ROAD NO	AREA	WARD	PLANNED KM	ACTUAL KM COMPLETED	TYPE OF MAINTENANCE
Q-3	Jan-24		St Augustines- Mpunkone to Lower Ngxaza-Qolombana	5	21	21	Various
	Jan-24		Qolombana	5		0.8	Graveling
	Feb-24		Ntushu-Ntushu-Mbonisweni	5	10	1.9	Dry Balding
	Feb-24		Hopedale	5	2	0	
	Feb-24		Sithana	5	7	0	
	Feb-24		Maclear	3	0	1	Dry Blading
	Feb-24		Mcwangele	5		5.3	Dry Blading
	Mar-24		Ngongongo	5	0	4	Dry Balding
	Mar-24		Kose	5	0	4.6	Dry balding
	Mar-24		Mbonisweni	5	0	2.5	Dry blading
SUB-TOTALS					40	41.1	

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PERIOD	ROAD NO	AREA	WARD	PLANNED KM	ACTUAL KM COMPLETED	TYPE OF MAINTENANCE
Apr-24	AC30397	R56- Down	6	3.4	3.4	Re Gravelling
Apr-24	Unnamed	Kwa-Mtshemla	6	1	1	Re Gravelling
Apr-24	AC30399	New-Castle	6	1.3	1.3	Re Gravelling
May-24	AC30406	St Augustines	5	1.8	1.8	Re Gravelling
May-24	AC30405	St Augustines	5	2.2	2.2	Re Gravelling
May-24	Unnamed	St Augustines	5	0.3	0.3	Re Gravelling
Jun-24	Unnamed	Mpunkone Village	5	4.3	4.3	Accessibility blading
Jun-24	Unnamed	Lower Ngxaza Village	5	1	1	Accessibility blading
Jun-24	Unnamed	Ntushu-Ntushu	5	0.3	0.3	Accessibility blading
		Thembeni	9	2.8	2.8	Dry Blading
	Unnamed	MtsheziB- Sidakeni	5	5	0	Reshaping
	AC30400	Sithana	5	7	0	Reshaping
		Mountain	5	2.8	0	Regravelling
		Thomas Ntaba	5	1.8	0	
SUB-TOTALS				35	18.4	
ANNUAL TOTAL				150	95.4	
% Completion				150	63.6%	

GRAVEL ROAD MAINTAINANCE

BEFORE

AFTER





3.6 Stormwater

Table 25: Completed Stormwater Repairs

Financial Year 2023-24 - Stormwater Repairs and Maintenance					
Quarter	Months	Activity	Stormwater (m)	Stormwater (m) Achieved	% Achieved
1	July to September 2023	Tlokoeng	500	560	
		Ugie	500	513	
		Nqanqarhu	500	476	
QUARTERLY TARGET			1500	1549	26%
2	October to December 2023	Tlokoeng	500	615	
		Ugie	500	721	
		Nqanqarhu	500	598	
QUARTERLY TARGET			1500	1934	58%
3	January to March 2024	Tlokoeng	500	376	
		Ugie	500	738	
		Nqanqarhu	500	456	
QUARTERLY TARGET			1500	1570	84%
4	April to June 2024	Tlokoeng	500	640	
		Ugie	500	514	
		Nqanqarhu	500	560	
QUARTERLY TARGET			1500	1714	113%
ANNUAL TARGET			6000	6767	113%

3.7 Urban maintenance Report

Table 26: Urban Maintenance

Financial Year 2023-24 - Summary Urban Maintenance Schedule										
Quarter	Months	Activity	Stormwater (m)	Stormwater (m) Achieved	Stormwater (No)	Stormwater (No) Achieved	Road Reserve Maintenance (m ²)	Road Reserve Maintenance (m ²) Achieved	Surfaced road maintenance (m ²)	Surfaced road maintenance (m ²) Achieved
1	July to September 2023	Tlokoeng	500	560	15	22	1000	1119	300	331
		Ugie	500	513	30	35	1000	1003	300	296
		Nqanqarhu	500	476	20	21	1000	1012	500	522
QUARTERLY TARGET			1500	1549	65	78	3000	3134	1100	1149
2	October to December 2023	Tlokoeng	500	615	15	23	1000	1333	300	798
		Ugie	500	721	30	41	1000	1820	300	182,5
		Nqanqarhu	500	598	20	29	1000	1590	500	309
QUARTERLY TARGET			1500	1934	65	93	3000	4743	1100	1289,5
3	January to March 2024	Tlokoeng	500	376	15	20	1000	1327	100	0
		Ugie	500	738	30	25	1000	812	100	0
		Nqanqarhu	500	456	20	24	1000	1208	100	0
QUARTERLY TARGET			1500	1570	65	69	3000	3347	300	0
4	April to June 2024	Tlokoeng	500	640	15	18	1000	1117	100	0
		Ugie	500	514	30	33	1000	719	100	0
		Nqanqarhu	500	560	20	22	1000	1578	100	0
QUARTERLY TARGET			1500	1714	65	73	3000	3414	300	
ANNUAL TARGET			6000	6767	260	313	12000	14638	2800	2438,5
% of Stormwater maintained	% of surfaced road maintained	% of road reserve maintained	m ² of urban roads maintained							
113%	87%	122%	105%							

3.8 Transport (Including Vehicle Licensing, Renewing of Driving Licences & Public Bus Operation)

ELM does not provide any public transport facility to its communities and the service is only rendered by the private operators. ELM continued to operate two Driving Licence Testing Centres (DLTCs), Registering Authority (RA) in Tlokoeng and Nqanqarhu. There is a service level agreement between ELM and Department of Transport guided by a National Road Traffic Act 93/1996.

Both these centres are staffed with superintendents, supervisors, admin clerk, senior licencing officer, examiners, licencing officers (cashiers), traffic officers and law enforcement officers, related systems are being used and revenue is generated from both units (RA) Registering Authority and (DLTC) Driving Licence Testing Centre. Revenue that was generated from DLTC for the 2023/2024 financial year from drivers' licence was R495 312.00, learners licence R755 746.22, professional driving permit (PrDP) R260 106.00, traffic fines R8 457.70 and the total amount for all revenue generated was R1 519 621.92. Revenue generated from RA (DoT) Department of Transport R8 781 493.89, (RTMC) Road Traffic Management Centre R673 508.78 and Agency fees R 2 139 998.57 the total amount of revenue generated from RA R 11 595 001.24. The total revenue generated from DLTC and Agency fees revenue for the Municipality R3 659 620.49.

The Challenges encountered during the F/Y was network connectivity for both units and the Department of transport added an extra network, we are dual with Vodacom and MTN as the backup. The Municipality installed a backup generator for Nqanqarhu an additional budget is needed for Tlokoeng to procure a backup generator.

The services rendered are renewal of driving licences, Professional Driving Permit, learners' licence, practical driving licence code B, and the registration & licencing of motor vehicles.

These services are rendered on a daily basis, registration and licencing of motor vehicles for both Nqanqarhu and Tlokoeng registering authorities ongoing and waiting time is +- 5 minutes depending to a problem and attending time is also +- 5 minutes. Renewals/ Professional Driving Permits these activities are conducted daily and it takes +-15 minutes to be done with applicants' renewals/ Professional Driving Permits. Application for driving licences and learner's licenses appointment lead times (3) three to ten (10) at times 5 days. Tariffs for some transactions are determined by the system, PrDP, DL's renewals and LLs are on the notice board as they are currently fixed amounts and the required documentation.

Revenue generated reports in respect of RA's and DLTC's Revenue generated is prepared on quarterly basis for onward submission to Standing Committee

ELM operated learners' licence testing system changed from manual to online testing using tablets and the system is functioning well. Due to possible risk of hacking of the system, the Department of Transport has installed biometrics machines for logging into the system and they have stopped the users to log into another workstation i.e. (Tlokoeng) to avoid fraud by the users and a new eye testing machine has been installed linked with home affairs.

Vehicle Testing Station (VTS) does not meet the minimum requirements as per the regulations. A comprehensive risk assessment was made by the Department of Transport for the relocation of driving licence testing centre and registering authority. Findings after comprehensive assessment, relocation was rejected based on the list of possible things that were never been included when the VTS was constructed. Budget for outstanding work must be prioritised, as the Municipality is losing a lot of revenue that will be generated from the VTS. IP&D has completed construction of Vehicle Testing Station (VTS) and it does not comply with the requirements of VTS pit. Once the budget made available and outstanding work attended to, the registering authority and driving licence testing centre will relocate to the new building while the pit is not functional to occupy the building and avoiding vandalization.

A request for relocation of the Registering Authority (RA) and Driving Licence Testing Centre (DLTC) to Mt Fletcher VTS was submitted to Department of Transport and inspection of the centre was conducted by Provincial Inspectorate and the report clearly states that there are areas of concerns that need to be attended to before the building can be utilized, budget must be made available to fix the pit and be able to utilize the pit by the ELM communities and the surrounding areas.

The old VTS in Nqanqarhu is no longer functional. Currently residents have to travel to other municipalities for this service something that comes with great inconvenience on their part.

COMPONENT C

3.9 Planning and Economic Development

Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation programmes and the eradication of historic inequalities. In order to ensure that infrastructure investment and development programmes are channelled towards these objectives, the National Spatial Development Perspective (NSDP) was formulated. The principles enshrined in the NSDP are thus of great importance to local government investment, through the IDP and capital expenditure.

The National Spatial Development Vision is as follows: South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- By supporting restructuring to ensure greater competitiveness;
- By fostering development on the basis of local potential and
- By ensuring that development institutions are able to provide basic needs throughout the country

3.1.1. The department of Planning and Economic Development plays a critical role in ensuring that the municipal vision to be realized through programs that alleviate poverty and inequality by encouraging sustainable and efficient economic growth. The strategic objectives of this department cannot be isolated from the municipal vision and mission. In order to achieve the Vision, there must be planned projects each and every financial year.

The Department is comprised of a Planning and Economic Development Units, with the former having the following core functions:

a) Building Control

The Building Control unit plays a vital role in ensuring the health, safety, and well-being of individuals in their living and working environments. This is achieved through the enforcement of the National Building Regulations and Building Standards Act No. 103 of 1977 (as amended). The unit's key responsibilities include ensuring compliance with building codes and standards, conducting regular

inspections of buildings and construction sites, issuing certificates of occupancy and approval, investigating building-related complaints and incidents, and providing guidance and education on building regulations and standards.

By enforcing these regulations, the Building Control unit helps to prevent accidents and injuries, reduce the risk of building collapses and structural failures, promote energy efficiency and sustainability, protect the environment and public health, and support economic growth and development through safe and compliant construction practices.

b) Housing Development Facilitation

Housing Development Facilitation is a crucial function that aims to ensure that all individuals have access to adequate housing, a fundamental human need. This involves setting realistic housing delivery goals, both in terms of quantity and quality, to address the housing needs of various communities. Effective coordination is also essential to facilitate the delivery of housing, involving collaboration with various stakeholders, including government agencies, private developers, and community organizations.

Sound public participation is a critical component of housing development facilitation, ensuring that the needs and concerns of all stakeholders are considered. This involves engaging with communities, conducting public hearings, and soliciting feedback to ensure that housing developments are responsive to local needs and aspirations. By facilitating inclusive and participatory housing development processes, this function helps to promote social cohesion, community empowerment, and sustainable urban development.

c) Town Planning

Town Planning is a critical function that involves the development of a shared spatial vision, guiding the direction of development and capital investment decisions to ensure a well-managed, sustainable, and orderly use of land. This entails creating a comprehensive framework that balances social, economic, and environmental needs, while promoting efficient and effective use of resources. By establishing a clear spatial vision, town planning helps to coordinate development efforts, minimize conflicts, and maximize benefits for all stakeholders.

Moreover, town planning plays a crucial role in directing capital investment decisions, ensuring that resources are allocated efficiently and effectively to support development priorities. By providing a clear

and coherent spatial framework, town planning helps to reduce uncertainty, manage risk, and enhance confidence among investors, developers, and communities.

The Planning Unit plays a pivotal role in terms of developing plans, policies and strategies aimed attracting developments, investors, and job creation, and it is also the main driver to the success of the Municipality vision.

The key strategic objective of the unit relates to the timeous, efficient and effective consideration and approval of land use applications that are responsive to and reflective of community needs and development trend. This is being done through the implementation of planning tools and processes that guide the land use application life cycle, from submission to approval. Planning tools such as the Elundini Land Use Scheme, 2023 (As Amended) and the Elundini Spatial Planning and Land Use Management By-Law are being used to evaluate land use applications in an efficient and coherent manner as follows.

Applications for Land Use Development	
Detail	Year 2023/2024
Planning applications received	Twenty-One (21) Land Use Applications received
Determination made in year of receipt	All twenty (21) applications acknowledged and processed either for completeness or incompleteness.
Applications withdrawn	Two (2) applications withdrawn: <ul style="list-style-type: none"> i. Special Consent for a Telecommunication mast and base station on a portion of the farm Chevy Chase No 266. Mount Fletcher District (Consent use application withdrawn (11 March 2024) ii. Special Consent for a Telecommunication mast and base station on a portion of the farm Nqayi no. 214 in the Qumbu District (Consent use application withdrawn (11 March 2024)
Applications outstanding at year end	<ul style="list-style-type: none"> i. Erven 2014 and 2017 Township Establishment- Application table at the JGDM Planning Tribunal and put to abeyance pending outstanding information. ii. Erf 129 Maclear Subdivision- Application still under scrutiny, the said application still awaits inputs from internal and external departments iii. Erf 366 Maclear- Application complete awaiting approval iv. Erf 530 Maclear, Special Consent for a Telecommunication mast and base station- Application still under scrutiny (letter of incompleteness sent to applicant) v. Pitseng Farm No.15 Special Consent for a Telecommunication mast and base station- Application still under scrutiny (letter of incompleteness sent to applicant)

	<ul style="list-style-type: none"> vi. Proposed exemption of subdivision (lease area) on a portion of the farm Chevy Chase no 266 Mount Fletcher District- request for outstanding information sent to applicant. vii. Proposed exemption of subdivision (lease area) on a portion of the farm Nqayi no. 214 in the Qumbu District- request for outstanding information sent to applicant. viii. Special Consent for a Telecommunication mast and base station on Farm Dengwane No.135 ix. Special Consent for Telecommunication mast and base station on Farm Upper Thokwana x. Rezoning Application on Erf 249 Mount Fletcher- Application still under scrutiny, receipt of application sent to applicant on the 10 July 2024 xi. Permanent departure for 'place of instruction'- Application still under scrutiny, the said application still awaits inputs from SANRAL
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d) Geographic Information System

The Geographic Information System (GIS) plays a vital role in supporting the Municipality's planning efforts and informed decision-making processes. By providing spatial information and support to all users within the Municipality, GIS enables the effective management and analysis of geographic data. This involves collecting, storing, and disseminating spatial information to various stakeholders, including planners, engineers, environmental managers, and other decision-makers.

Through the subscription of the IMIS-GIS System, the Municipality is able to facilitate informed decisions by providing accurate and timely spatial data. This includes information on land use patterns, demographic trends, infrastructure locations, environmental features, and other critical factors that impact planning and development. By analyzing and visualizing this data, this GIS system helps the Municipality to identify trends, patterns, and relationships that inform planning strategies and policy decisions.

e) Outdoor Advertising Regulation

The Outdoor Advertising Regulation function plays a crucial role in maintaining a visually appealing and safe environment within the Municipality by ensuring that all forms of outdoor advertising are controlled and regulated. This involves enforcing compliance with the South African Manual for Outdoor Advertising Control (SAMOAC) and the Municipality's Outdoor Advertising Policy, which provide guidelines and standards for outdoor advertising. The regulation covers various aspects, including

billboards, signage, outdoor displays, advertising on municipal property, mobile advertising, and digital outdoor advertising.

By regulating outdoor advertising, the Municipality aims to maintain a clean and attractive environment, protect public safety, and reduce visual pollution. The enforcement of SAMOAC and the Elundini Outdoor Advertising Policy ensures that outdoor advertising is consistent with the aesthetic, environmental, and safety standards of the area. This involves monitoring permit applications, approving compliant advertising, and taking enforcement action against illegal or non-compliant advertising. Through effective regulation, the Municipality can strike a balance between allowing outdoor advertising that supports local economic growth and maintaining a high quality of life for residents and visitors.

3.9 Local Economic Development

The LED Strategy was reviewed and adopted by Council in 2020. The revised Elundini LM's Local Economic Development Strategy 2019-2024 seeks to set out a strategic path and trajectory for local economic development. The main strategic goal of the Elundini Local Economic Development Strategy is to attain a sustainable economic growth, with a growth rate of 1% which is characterised by increase in output, employment growth and increase in household income in urban and rural areas in the next five years. The municipality in developing the strategy considered the key guiding principles of Local Economic Development set up by National Local Economic Development Framework

3.9.1 SMME Development

3.9.1.1 Contractor Development Programme

The Municipal Council took a decision to concentrate on the construction sector as one of the main developmental sectors in the industry. ELM reviewed its Procurement Construction Strategy which has two categories of objective, the primary which focuses on quality service delivery, the secondary objective, which are aligned with the development of the SMME contractors such as follows:

- Promote broad based black economic empowerment.
- Promote local employment (temporary and permanent) through the delivery of the works;
- Develop small enterprise capacity to undertake the portions of the work as subcontractors and the maintenance of the completed works;
- Retain as much of the project expenditure within the Elundini Local Municipality; and

- Support skills development by increasing the number of people who have part qualifications, national qualifications and professional designations awarded by statutory councils

In the 2023/2024 financial year, the municipality was able to appoint a total of 11 SMMES as part of its incubation programme. The total amount of the packages is R6,7 million. Of these contractors there were 2 Grade 3, 2 Grade 2 and 6 Grade 1. Most of these contractors were due to complete their work at the end of August 2024 which is in the new financial year. Upon receipt of their completion certificates these contractors are expected to upgrade their CIDB grade with the assistance of the LED Office.

It has been discovered that most of the packages received do not necessarily enable them to qualify for the next CIDB grade. Of the 11 contractors mentioned above, only 2 contractors who are grade 3, will be able to qualify for Grade 4 based on the amount of the package received. This is however one of the main objectives of the programme to incubate construction SMMES. At a meeting between the municipality and the Elundini Contractors Forum that was held in June 2024, it was decided that in future, the amount of the packages awarded to the construction SMMES should enable them to qualify for the next CIDB grade as is the objective of the incubation programme. Contractors that are to receive work packages under the are expected to upgrade their CIDB grade upon completion of the work. The appointed contractors will be required to sign a undertaking with the municipality to upgrade their CIDB status upon receipt of the completion certification. Failure to do this will mean they will not be considered for future work packages in their current CIDB

3.9.1.2 Training for SMMES

Small, Medium and Micro Enterprises (SMMES) play a pivotal role in the economies of all countries worldwide and are major contributors to income generation, outputs and the level of employment in a country. Inadequate management skills, expertise in key function areas and the lack of adequate financial understanding is significantly rising. It is vital for SMMES to have access to training programmes that educate them and their staff on how they can improve their business and managerial skills and successfully run their companies This is an extensive and accredited course designed to give insight on supply chain management issues which might help in giving answers as to why our local SMMES become unsuccessful in most tendering opportunities. Over the financial year, LED partnered with other sector department and parastatals like Department of Water and Sanitation, SARS and the ECDC) to capacitate

local businesses on compliance, business development and other issues that are pertinent to the success of their businesses.

Capacitation with the supply of inputs and working equipment

One of the measures undertaken by the South African Government to improve the plight of the economically vulnerable was to avail funding for the most affected sectors of the economy. One of these funding mechanisms was from the Informal and Micro Enterprise Development Programme (IMEDP) from the National Department of Small Business Development (DSDB). As part of this programme LED facilitated sessions with local informal Traders and DBSB. The purpose of these sessions was to assist the informal traders to populate the required forms and submit the information required by DBSB as the funder. This process culminated in the approval of funding for business equipment by DBSB for 57 informal traders. The equipment approved by ranged from fridges, hairdryers, sewing machines, laptops and other inputs to assist the businesses. The handover c with the 57 informal traders was held on the 01st May 2024 and was presided over by the Mayor of Elundini and the Minister of Small Business Development amidst much fanfare and celebrations

3.10 Masonry Development Programme

Although barriers of entry are high for SMMEs for the equipment manufacturing due to high capital requirement, high resources requirement for accessing technology, the Premier's office funded the municipality R1, 9 million to promote the entry in this industry. The role of the municipality with its partner, Elundini Cooperative Development Centre (CDC), was to ensure that the project was implemented in a sustainable way and benefits the local industry. The municipality should partner with the ELCDC and pilot a brick road construction with bricks manufactured from the Tlokoeng brick site.

As of June 2024, there were 6 employees working on the site. They were contracted for a period of 6 months which expires at the end of September 2024. Production of Masonary has begun but it has not achieved a mass scale because of various challenges. These include the future management of the facility in a way that sustainable.

Marketing Strategy

- Elundini Municipality Infrastructure Department– The municipality's Infrastructure Department has begun works in the construction/rehabilitation of streets in Tlokeong, Maclear and Ugie. Upon completion of this process there is already an in-principal agreement between Planning and Economic Development and Infrastructure that the appointed contractors will be engaged about the possibility of sourcing the necessary masonry material such as kerbs from the project. However, all

of this is highly dependent on the readiness of the project to deliver the required masonry material as and when it is required.

- Mt Fletcher Mall Development- The project is expected to produce construction material when this development finally gets underway

Funding Strategy

- The Municipality has prepared an application to the National Department of Small Business Development under the Shared Infrastructure Facility. The requirement of this facility is that the municipality co-funds the project on a 50: 50 percent basis. It also requires that there must be a Council resolution to this effect. The processes are underway, and this Council Resolution should be obtained by the 1st quarter of the 2024/25 financial year.

3.11 Co-operative Development Centre and its Governance

The cooperative development centre was established in 2015 in partnership with DEDEAT and ELM to ensure that the following business services are localised:

- Basic Services:
- Assistance with pre-incorporation training to start up co-operatives.
- Basic training of members in co-operative enterprise skills.
- Access to sources of finance.
- Co-operative economy directory
- Business planning.
- Enterprise development advice and guidance to new and existing cooperatives.
- Tender Advice and information.
- Co-operative Advice.
- Facilitation of market access.
- Mentoring; and
- Linkages with other co-operatives and SMMEs.

3.12 Agricultural Development

3.12.1 Wool Development Programme

ELM commissioned Council for Scientific and Industrial Research (CSIR) to review the existing feasibility and business plan for wool hub development for Elundini municipality. The business did not only consider the scouring line but also considered the value chain analysis and other pragmatic downstream enterprises for immediate implementation. The project suffered commitment from Provincial

government which led to the local wool growers soliciting political intervention from the province. ELM and the local Wool Growers Association (WGA) established partnership with provincial government through ECRDA to implement the project from April 2020. The memorandum of understanding between ELM, ECRDA and the local wool growers would be signed in 2019/20. The business plan was reviewed and was finalised in October 2019.

A service provider was appointed by the Municipality in 2020/21 to train local woolgrowers in responsible wool production that would grant them certification of their shearing sheds as responsible wool growers according to international standards. Once certified their wool is expected to fetch a premium of 10 percent more than the current rate being paid. This service provider has been appointed by the municipality for a period of three years.

In the 2023/24 financial year the appointed service provider in partnership with the municipality certified the following shearing sheds in the Tloekeng area.

NAME OF SHED	WARD NUMBER
1. Bhongweni	13
2. Vukani Bafuyi	14
3. Inkwenkwezi	8
4. Maqhoba	8
5. Popopo	12
6. Lower Thokwana	15
7. Liphakoeng	15
8. Lehana's Pass	14
9. Phirintsu	13
10. Sibablwe/Mpharane	10

In line with the objectives of this programme the certified shearing sheds will now receive a premium of 10 percent and above in the market for their wool.

3.12.2 Tourism Promotion

3.12.2.1 Maclear Tourism Information Centre

Tourism as a sector was one of the most affected by the Covid pandemic. Initiatives are under way by tourism stakeholders to resuscitate the sector. The Tourism Information Centre in Maclear has been operational for most of the 2023/24 financial year and has mainly been manned by tourism interns that the department employs on a yearly basis. The centre provides critical information on the profile and number of visitors in the Elundini area. This enables the municipality to target such visitors by marketing

to platforms that they normally frequent. The numbers visitors to the TIC have picked but are yet to reach pre-Covid levels.

3.12.2.2 Tourism Awareness

Tourism Month is an annual celebration held in September to focus on the importance of tourism to the economy of South Africa. It is aimed at encouraging more people to embark on leisure activities and, in so doing, to increase the number of domestic holiday trips and tourism spend in all nine provinces, while contributing to a critical sector of the country's economy. It also encourages South Africans to travel within their own country and to get a better understanding of the affordable and exciting attractions and activities available to them on their own doorsteps. The area of Elundini Municipality does not experience great amounts of leisure tourism from external communities and neither do local people travel within the borders of Elundini.

In 2023/24 financial year, the municipality celebrated tourism and heritage month by hosting a cultural festival "Elundini Cultural Festival". This festival was aimed promoting arts and craft as at boosting economy as visitors spent money on accommodation and on local businesses. The festivities will include:

The official opening by the Mayor.

- Flea market
- Vintage car showcasing
- Traditional food tasting
- Local performances
- National Artist performance (Nathi Mankayi)
- Career exhibition

This event which was well received by the people of Tlokeong as well as the people from around Elundini. It was successfully held on the 29th September 2024 at the Craft Centre in Tlokeong. The municipality also participated in the National Tourism Indaba that is held annually in Durban as part of marketing the municipality. Tourism Indaba is one of the largest tourism marketing events on the African calendar and one of the top three 'must visit' events of its kind on the global calendar. It showcases the widest variety of Southern Africa's best tourism products and attracts international tourism stakeholders. The Elundini Municipality had a stall and was one of the exhibitors at the Indaba. The event was held on the 12th to the 15th May 2024 in Durban.

COMPONENT D

3.13 COMMUNITY & SOCIAL SERVICES PROGRAMS

3.13.1 Libraries; Archives; Museums; Community Facilities; Other

Libraries are a function of the Department of Sport, Recreation, Art and Culture and ELM runs them on an agency basis. To give effect to this arrangement a Service Level Agreement was signed with the Libraries are a function of the Department of Sport, Recreation, Art and Culture and ELM runs them on an agency basis. To give effect to this arrangement a Service Level Agreement was signed with the provincial government who is subsidizing the services to the tune of R750 000. The library grant only contributes to the salaries of the library staff, off which it is not enough for other library activities. There is a need to incorporate the 3 modular libraries that fall within ELM area of jurisdiction into the service level agreement. The Department of Sports, Recreation, Arts and Culture runs and operates the modular libraries with their staff members. All three towns operate library facilities through seconded professional librarians assisted by staff appointed by ELM.

During the year under review, there were no new community halls that were constructed only management and maintenance of the previously constructed halls. The municipality has constructed 1 ECDC at Ntokozweni in Ugie and Refele sports field, Hopedale sports field is under construction. A participatory model which involves using communities to look after the Halls has been conceptualised which shall be piloted in two wards. If successful, the model will be rolled out to the rest of the wards which have been provided with community halls.

3.13.2 Cemeteries and Crematoriums

The state of municipal cemeteries was not a pleasing one for previous years and the year under review especially considering that most used cemeteries are by now almost running out of burial space. Ugie community continued to conduct illegal burials by utilizing a closed cemetery despite a portion of land that was made available in Bhekela Township for use as an alternative. The latter is not a properly planned cemetery with the necessary Geotech studies having been conducted to determine suitability. At the current state in which it is, it can easily be categorized as an informal burial site with no control and regulation of burials as legally required.

The Ugie town cemetery was equally utilized though also not regulated and controlled resulting in no order of burials nor applications received by ELM to conduct burials. Nqanqarhu was in a similar position as the two other towns. Other than the old town cemetery, communities used illegally established burials sites. It was agreed that cemeteries that were almost full should be prioritized and further developed and extended to provide more burial space. It was further agreed that all cemeteries should be properly regulated and controlled in terms of the requirements of the relevant cemetery by-law. Cemetery proper regulation applied in the case of Ugie and Tlokoeng. Some land parcel was identified in Nqanqarhu however this is pending the outcome of investigations into its suitability or otherwise. All the above steps are important for cemetery management system's immediate implementation which was adopted by ELM. ELM must build on going forward and necessitates formalization of all cemeteries over time. There is no numbering of graves in all Municipal cemeteries which will lead to the loss of graves. ELM does not operate a crematorium.

3.14 SPECIAL PROGRAMS UNIT

The Special Program Unit is responsible for Women empowerment; Youth development, and Mayor's Social Investment; People with disabilities (PWD) and HIV & AIDS coordination. The municipality went through the process of developing Service Delivery and Budget Implementation Plan (SDBIP) for this financial year. Projects for implementation were prioritized and plans to articulate how allocated resources will be utilized and how the projects are to be implemented. The following projects were implemented in this financial year:

- HIV& AIDS programs
- Support to youth owned businesses/enterprises
- Mayoral Horse Racing Event
- MSI program
- People with Disabilities Support

3.14.1 HIV& AIDS programs

In this financial year the municipality budgeted an amount of R1 071 000 to ensure coordinated response to HIV in Elundini through the Local Aids Council. The municipality supported 17 Home Community Based Care organisations (HCBC's) with an amount of **R13 000** each as stipend and in return the HCBC submitted Quarterly reports of the services rendered as stipulated in the partnership

agreement. In addition, ELM has a responsibility to coordinate the Local Aids Council activities, all of this is covered under the above-mentioned budget

3.14.1.1 Functioning of Local Aids Council

The Elundini Local Aids council is a multisectoral response platform created by the municipality to fight against the scourge of HIV&AIDS in our communities. The LAC is functional, the only challenge is the inconsistency in the attendance by sector departments. All LAC quarterly meetings were held as planned in this financial year.

3.14.1.2 HCBC partnerships

Elundini Local Municipality (ELM) adopted a strategy to partner with 17 Community Home Based Care (HCBC) organizations to fight HIV/AIDS pandemic. These HCBCs are entrusted with responsibility to implement the HIV& AIDS implementation plan that is aligned to the National Strategic Plan to all its wards. The Service Level Agreements for 2023/2024 financial year, were developed and signed between the municipality and all 17 HCBCs. The scope of for these HCBCs is as follow:

- Education, Awareness and Prevention Programs
- Treatment, Care and Support for people living with HIV&AIDs
- Care and support for orphans and vulnerable individuals

3.14.1.3 Care Givers Training

The municipality also organized a 3-day training for the workers (care givers) in the 17 HCBCs. The nature of the work that they do requires them to be trained from time to time for them perform their duties well. The training was facilitated by a trainer from Department of Health. Each HCBC sent 2 workers to attend the training, the total number of attendees was 46, the training was held at Nqanqaru on the 27-29 November 2023. The training mainly focused on HIV/AIDS Background, HIV/AIDS transmission and prevention (Undetectable = Untransmittable) , HIV/AIDS pre- exposure and post exposure, HIV Index testing, and the HIV treatment.

3.14.2 Support to Youth Owned Enterprises

The municipality provided an opportunity through grant funding for 80% youth owned enterprises within Elundini Local Municipality. Two youth owned enterprises were supported in this financial year, they are the following:

Table 27: Youth Enterprises Supported

YOUTH ENTERPRISE	SUPPORT PROVIDED	items
1. Silondolozeni Youth Cooperative	Piggery material and equipment	<ul style="list-style-type: none"> • Water pump Centrifugal 1.1 JoJo • Netting wire 1.2MX50M (X20) • Water Tank 5220 (X2) • Hosepipe dradling 100MX20MM (X2) • Barbed wire 50KG (X5) • Plain wire 1.6 MM 2KG • Plain wire 4.0MM 5KG • Potato seed- round up 25KGX15 • Weed killer-round up 5LTX1 • 50KG Fertiliser X5 • 50KG LAN X5 • 3months old piglets X20 • Pig grower feed 50KG X10
2. Jonase Trading Enterprise	Telecommunication equipment and tools	<ul style="list-style-type: none"> • Laptop • Projector • Tower • LED Monitor • Laser Printer • Camera • Photo Printer • Stamp making machine • Stationery • Laminator, and its sheets

3.14.2.1 Mayoral Horse Racing Event

The municipality has successfully hosted a Mayoral Horse Racing event, which was held in Ugie. This has become an annual event with an intention of:

- Facilitating provision of more opportunities for our jockeys.
- Promoting local economic development and tourism.
- Facilitating social cohesion.

Additionally, this initiative was conceived as one of the strategic interventions towards youth development, through enhancement of youth talent and was launched to ensure that their talent is promoted, profiled and appreciated.

The Mayoral horse racing event was held on the 14 October 2023 in Ugie. One hundred and fifteen (150) young jockeys from three horse racing clubs Ncembu, Sisonke and Mt Fletcher clubs and other surrounding towns of ELM became an integral part of this event, racing under two races, Umphalo with 8 different hits and Umhabo with 8 different hits with 1st prize up to 4th prize in each hit, Jockeys are young people from 13 to 35 where in each race they win they get 10% of the amount won.

3.14.3 Mayor’s Social Investment (MSI)

The municipality designed a program called Mayor’s Social Investment, for this financial year two projects under the MSI program were implemented. These projects are Bursary Support; Adopt and Bridge of hope.

3.14.3.1 Bursary Support/Assistance

The municipality awarded bursaries to 03 new intakes and 01 carryover from the last financial year, and this was her final year of study. Payments were fully processed to institutions for the 4 students doing the following qualifications:

Table 28: Bursary Support

No	Qualification	Institution of learning
1.	Bsc in Med Ortho and Prost	Walter Sisulu University
2.	BA in Computer Engineering	CPUT
3.	Safety Management	UNISA
4.	ND: Plant production	Ekhuruleni Agricultural College

3.14.3.2 Bridge of Hope

Bridge of hope is dependent on requests from the needy people from the society, all the requests were processed and implemented through mayor’s discretion. The programme plays a huge role in improving the lives of the vulnerable and restores dignity, Programs implemented are:

3.14.3.2.1 Ugie Mass Funeral

Mayor’s office received a request from Councillor Cawe from Ward 2 on the 1st of November 2023. The request was for the municipality to assist three (3) families that had their members shot and killed by a man in Ugie. The municipality assisted with funeral arrangements, paying the funeral parlour to render burial services. The municipality assisted the families with R10 000 per family.

3.14.3.2.2 Ugie Football player

Ward 2 councillor requested the mayor’s office to assist with buying of casket for a football player who was hit by lightning during the game in Ugie old location. The amount of R5000 was paid to the funeral parlour.

3.14.3.2.3 Blackhawk donation

The municipality partnered with Blackhawk foundation to implement health and wellness roadshow, Sport, Career guidance, handing over of school uniform and sanitary towels. Honourable mayor contributed with 20 sets (a set includes shirt, skirt/trouser, socks of school uniforms the include school bag., shoes, and jersey)

3.14.3.2.4 SOMA legacy

Honourable mayor during SOMA at Solomzi J.S.S in ward 16 left legacy by handing over 20 sets of school uniform as per the specification of the school to the needy children, in which they are chosen by the school to receive the uniform.

3.14.4 People with disabilities

The municipality set aside a budget for the implementation of the following PWD programs:

3.14.4.1 PWD NGO Support

The municipality renewed the service level agreements with two PWD NGOs (Cheshire Home and Siyamthanda) and set aside a budget of R40 000 for each NGO to provide services to people with disabilities in the municipal jurisdiction. Under these service level agreements, the municipality, also supported these two NGOs to employ five care givers (each NGO) under the EPWP program and were paid every month an amount of R1 750.00 stipend for each care giver. This amount was within the EPWP threshold of payment of stipends and the care givers were working hours that are in-line with the EPWP condition. They were working 3 hour per day, three days per week which totals to 12 hours per month.

3.1.5.2 PWD Enterprise support

The municipality in this financial year approved budget to support PWD-owned enterprises. The intention for this project was to empower people with disabilities to actively participate in the mainstream of the local economy. NanaSKJ88 PTY LTD is a PWD owned business from Ward 2, operating in telecommunications sector, was supported by the municipality. The following support was provided to the business:

- 1X6 seater table with cubicle divider
- 6X Office Chairs
- 3X Laptops and bags
- 3X call center headsets and microphones

COMPONENT E

3.16 Environmental Protection

3.16.1 Pollution Control

ELM does not have an Air Quality Management Plan and air pollution bylaws in place and will have to consider developing these to primarily comply with the Air Quality Act, of 2004 as well as to ensure regular monitoring and management of air pollution in the area given various sources including P.G Bison factory operations. One of the standing programs is clearing of illegally dumped waste next to or near rivers, streams, ditches and wetlands. Some of the wastes that gets removed includes used baby nappies, discarded household chemicals, lithium batteries, light bulbs etc. In all our formal landfill sites, burning of waste is strictly prohibited in order to prevent possible air pollution by contaminants from burning waste. Another control is prohibition and monitoring of incoming waste into landfills to ensure that no hazardous waste and health care risk waste is accepted as these elevate levels of ground/surface and underground water pollution.

The grassing and continuous maintenance of green spaces and landscaping of polluted open spaces through illegal dumping of waste is recognized by the municipality as having a major contribution to preventing windblown dust and therefore air pollution. Air pollution through poorly maintained vehicles is negligent in the municipality as law enforcement offices deal with such on a daily basis.

Air pollution samples are continuously taken by Air Pollution Officers from District DEDEAT for testing.

The only major source of air pollutants is recognized as PG Bison plant which through research and information published is sufficiently managed through monitoring of license conditions by the relevant provincial department. Attempts are being made to enforce mechanisms of disclosure by PG Bison to over and above give assurance to the municipality that the levels of contaminants emanating therefrom are not toxic and significant enough to warrant any cause for concern.

3.16.2 Health

In terms of the powers and functions, Environmental Health Services is a function of the JGDM while Primary Health Care services have been provincialized. ELM's responsibilities with regard to Municipal Health Services are in the area of issuing of business licenses to food handling premises as well as registration of general dealers, control of nuisances, overgrown erven, enforcement of related by-laws and National regulations as well as other issues which may affect public health. In all Mayoral Outreach Programs held by the Mayor in her constituencies, the issue of health facilities always came up as a need

because the ones that are available are either not easily accessible because of bad road infrastructure or are not enough to accommodate all community members they are supposed to service.

3.16.3 Clinics

ELM does not run any clinics and the functioning of clinics is the competency of the Department of Health.

3.16.4 Ambulance Services

ELM does not perform any ambulance services and this function is the competency of the Provincial Department of Health.

3.16.5 Health Inspection; Food and Abattoir Licensing and Inspection; etc.

As guided by Schedule 5 Part B of the powers and functions as defined in terms of the Local Government: Municipal Structures Act as amended, ELM is only responsible for issuing licenses to businesses who trade by selling food and to street traders. Health inspection of these businesses is the responsibility of the district municipality and there are Environmental Health services units with Environmental Health Officers deployed in each town. At the current moment ELM does not operate any abattoir, and the existing abattoir applied for its operating license from the Department of Rural Development and Agrarian Reform (DRDAR) and Department Health, and the abattoir is privately owned.

3.16.6 Security and Safety

3.16.6.1 Police, Traffic and Law Enforcement

ELM does not have municipal police as yet and policing function is still a competency of the SAPS. The form of policing for the purpose of security and safety is rendered through traffic and law enforcement services. Currently the municipality has 11 Traffic and Law Enforcement Officers. Law Enforcement officers continuously conducts joint operations with SAPS. Law enforcement officers are responsible for maintaining law and order, protecting the public and preventing crime. They enforce Municipal bylaws also attending to joint operations where they work together with Environmental practitioners, Immigration and relevant stakeholders where they check for compliance to street traders, food compliance etc. Municipal officials receive complaints from the public regarding or someone responsible for such e.g land invasion etc. They investigate complaints, gathering evidence and issue compliance order if the warning notice was ignored which requires the property owner or occupant to take specific action to comply with the municipal bylaws. If the compliance order is ignored officers may impose/ or issue fines or penalties as part of enforcing municipal bylaws. They provide or educate the public about

municipal bylaws, providing information on what is required to comply with the bylaws. They issue section 341 notice for contravention of traffic bylaw or by causing obstruction. Challenges it is difficult to enforce municipal bylaws, process of public participation must be taken into consideration so that enforcement of municipal bylaws runs smoothly and issuing of fines to generate revenue.

Traffic officers play a crucial role in maintaining road safety, managing traffic flow and enforcing traffic laws. Traffic officers enforce laws related to speeding, reckless driving, driving under the influence, and other traffic offences. Traffic officers issue sec56 traffic offences/ fines to drivers who violate traffic laws. Traffic officers responding to traffic accidents, providing assistance and support to those involved. They conduct safety inspections of vehicles, drivers, and road conditions to identify potential safety hazards. Education and community outreach through road safety awareness campaigns are conducted such as seatbelts enforcement, speed enforcement and distracted driving awareness etc. Education awareness to schools is provided. Traffic officers build relationship with community and cooperation between law enforcement and the public. They play an important role in maintaining road safety, managing traffic flow and enforcing traffic laws.

Table 29: Traffic Officers

TASK Grade	Year 2022		Year 2023		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Manager – Public Safety	0	1	0	1	0%
Other Police Officers (Law Enforcement)	7	7	7	0	0%
0 – 3					0%
4 – 6	2	-	-	-	0%
7 – 9	-	-	-	0	0%
10 – 12	7	8	7	1	
13 – 15	-	-	-	-	0%
16 – 18	-	-	-	-	0%
19 – 20					0%
Total	16	16	14	2	0%

3.17 FIRE

ELM does not have a Fire Emergency Centre only a small fire engine that is utilized by the 2 appointed Fire Fighters/Officers. The fire service at present are not responsive enough to meet current demands

especially considering the geographic spread of the areas needing to be serviced. Such impact heavily on response times in the event of a fire breaking out. This often leads to responses however which do not effectively ensure the fire is extinguished before much destruction and threats to lives. Notwithstanding these challenges ELM embarked on an intensive further training of fire officers to ensure they were competent in their work. ELM also upgraded its fire engines by purchasing an additional skid unit for the two fire officers. The challenge is related to procurements delays in securing proper protective clothing for fire fighters.

COMPONENT F

3.18 Sport and Recreation

ELM has had challenges when it comes to the provisions of public amenities (particularly sportfields and community halls) largely due to poor performance of contractors who frequently end up abandoning projects. This has been a growing trend over the years which the municipality seeks to address.

COMPONENT G

3.19 Human Resources

Critical for the survival of any institution is the development and functioning of its human resources. ELM, as a small and rural municipality constantly finds itself competing with the private and public sector for limited human capital resources, as a result, ELM at times find it difficult to attract and retain competent and critical skills. The human resources department is an integral part of Corporate Services and is mainly responsible for effective and efficient Recruitment and Selection of personnel; effective administration of staff benefits; maintain sound Labour Relations; ensure Occupational Health and Safety of employees; wellness; training and development of staff and unemployed; Employment Equity development; implementation and reporting; Organizational design and development; Individual Performance Management of staff.

3.20 Labour Relations

The disciplinary cases and bargaining matters of mutual interest are being conducted with strict adherence and confined to the Labour Relations Act 66 of 1995 and Disciplinary Procedure Collective Agreement and Main Collective Agreement as extended.

The report depicts a reflection of the progress made on the labour related matters in terms of settled and pending cases.

MISCONDUCT CASES

- Gross negligence and dishonesty (stolen vehicle) (IP&D).
- Unauthorized taking of Municipal Property (Community Services).
- Corruption, Gross dishonesty and bribery (Community Services).
- Continuous Absenteeism (Municipal Manager's Office)
- Continuous Absenteeism (Community Services).
- Continuous Absenteeism (Community Services)

3.21 Occupational Health & Safety

Elundini Local Municipality is currently implementing the Occupational Health and Safety Strategy that is intended to minimize occupational related risk and incidents, as well as promoting a healthy and safe environment. The implementation of the approved strategy is in line with the Occupational Health and Safety Act, and related legislations. The municipality has an Occupational Health and Safety Committee which is functional, and its objectives is to improve ELM performance in terms of health and safety, increase employee knowledge on OHS matters as well as to ensure compliance to relevant legislation governing the function. Occupational Health and Safety Committee has been trained on First Aid and Occupational Health & Safety.

The Health & Safety Committee is comprised of municipal employees from various municipal departments and levels of employment. The Municipality received a Letter of Good Standing which proves that the Workman's Compensation Fund (COID) will assist you in paying for any work-related injuries or harm to employees. Letter of Good standing which was issued on 17 – 05 – 2024 is still valid with department of labour, expiry date is 30 – 04 – 2025.

3.22 Organizational Design and Development

As part of the IDP process, the Municipality reviewed the Organogram to ensure its alignment to the IDP and Constitutional obligations. As at 30 June 2024, the ELM's reviewed Organogram reflected a total number of 345 positions with 305 funded positions and 278 filled (91.1% filled). The municipality maintained the 8.9% vacancy rate which was also attained in the 2022/23 financial year. The above narration includes senior management positions which were all filled by the end of the 2023/24 financial year.

3.23 Training and Development

Elundini Municipality compiles and submits the Workplace Skills Plan (WSP) to LGSETA by 30th April each financial year. The WSP is mainly based on training needs identified in the employee's personal

development plans, skills audit results as well as the training needs identified for Councillor's and unemployed youth of Elundini. The Skills Development section had a training budget of R 2, 05996.00 and at the end of the financial year, over 100% of the training budget was successfully spent. As a result, during the 2023/24 financial year, a 105% was spend on all the training and development activities that were included in the WSP for the development of Elundini Capacity. Below are the other programs that were coordinated in this section:

a) Bursary Programme for employees

During the 2023/24 financial year, Elundini Municipality disbursed bursary to fourteen new employees (14) across all departments which increased by a number of twenty-one in total (21) including the seven that are continuing from 2022/23. The capacitation of employees through formal qualifications ranged from the following qualifications:

- Post Graduate Diplomas in Public Management
- Postgraduate in Project Management
- Postgraduate Diploma in Public Management
- Postgraduate in Accounting
- Diploma in Public Supply Management
- Local Government Law & Administration
- Bachelor's degree in public administration
- Bachelor of Commerce in Project Management
- Bachelor of Commerce in Humana Resource Development
- Bachelor of Commerce in Humana Resource Management
- Honours in Environmental Management
- Bachelor of Spatial Planning Honour's with Specialisation in Human Settlement
- Diploma in Public Administration
- Advanced Diploma in Financial Management
- Diploma in Metropolitan and Traffic Policing
- Higher Certificate in Project Management

b) Internship Programme

As part of eradicating youth unemployment, Elundini Local Municipality has internships that targets unemployed youth who have completed tertiary qualifications and those who are in need experiential learning in order to satisfy the requirements of their qualifications. As a result, the Municipality through the Skills Development Section has appointed eight (8) unemployed graduates for internship and (2) two Work Integrated Learners.

3.24 Individual Performance Management

Elundini Local Municipality seeks to manage municipal performance towards the achievement of municipal objectives and comply with legislative imperatives. The municipal objectives are clearly outlined in the municipality's IDP as adopted by Council. The Departmental and Individual Key Performance Areas, Deliverables and Standards are be formulated and aligned with IDP Objectives.

With effect from July 2019, Individual Performance Management has been cascaded down from Senior Management to TASK Grade 9 and the municipality is implementing an electronic system which starts from the uploading of Signed Annual Performance Agreements and Output Plans by Employees from Senior Management, Middle Management down to TASK Grade 9 employees.

Municipality is implementing performance management as directed by the municipality's policy on PMS as well as the Local Government: Municipal Staff Regulations of 2021 (Reg. 890), which necessitate a feedback driven performance management, which is mainly achieved through formal assessments. In the 2023/24 financial year, the municipality was able to facilitate annual performance assessments for all employees starting from Senior Management, down to TASK Grade 09 employees. The assessments were looking at the performance achieved in the 2022/23 financial year in order to improve employee, departmental and municipal performance going forward.

3.25 Employee Assistance Program / Wellness

The employee Assistance Programs address work related, social and psychological problems of the Councillors and Employees in a comprehensive approach. It further encourages and maintains the well-being and productivity of employees by providing confidential assistance and short- term therapeutic interventions to those who are experiencing personal or work-related problems. The Employee Assistance Programme (EAP) also assist in improving of the wellbeing of Councillors and Employees for achieving appropriate job performance levels. As at end of the financial year we had two (10) Self-Referral Cases, (6) supervisory / managerial referral cases and (2) rehabilitative cases.

SICKNESS			
DEPARTMENT	NATURE OF INJURE/ SICKNESS	ACTION TAKEN	DATE FINALIZED
Community Services	Skin Cancer	Undergoing Chemotherapy	Still on treatment
Community Services	Medical Disability application in progress	Ongoing	Application in progress
Community Services	Kidney Failure	Undergoing Dialysis medical therapy	Still on treatment
Community Services	Medical Disability application in progress	Awaiting application outcome	Not yet finalized
Community Services	Breast Cancer	Undergoing medical review quarterly	Ongoing
Community Services	Medical Condition	Ongoing	Not yet confirmed
Community Services	Musculoskeletal disorder	Physiotherapy treatment	Ongoing
Community Services	Skin irritation	Referred to Dermatologist	Ongoing

3.26 Information and Communication Technology (ICT) Services

ELM has constantly tried to ensure that it is operating with high intergrity ICT Governance Standards to ensure compliance with regulations both local and internationally recognised standards. In this regards ELM took upon itself to ensure that it complies with aforementioned ICT Governance Standards in line with KING IV, ISO/IEC 38500,ISO 27001/2 POPI ACT and other relevant standrads and practices by reviewing and benchmarking its existing policies, procedures, frameworks and strategies annually in order to align them with current updated standards.

(a) Implementation of the IT Governance as per the KING IV and COBIT recommendations:

- Develop Vulnerability management procedure.
- Develop User Rights Policy
- Develop Community Wi-fi Fair Usage Policy
- Review of ICT Disaster Recovery Plan
- Review Patch Management Policy.

- Review Access control Procedure.
- Review Data Privacy Plan
- Review Data Protection Policy and Procedure
- Review ICT DRP Procedure Manual
- Review Password and User Access Management Procedure
- Review Protection against Malicious Code Procedure
- Review Backup and Recovery Procedure
- Review Firewall Management Procedure
- Review ICT Business Continuity Plan
- Review Incident Management Procedure
- Review of ICT Master Plan
- Review of ICT Steering Committee charter
- Review of Telephone System Policy

(b) Implementation of Information Security:

- Carry out IT security awareness initiatives and campaigns.
- Proactively assess potential items of risk and opportunities of vulnerability in the network.
- Design and implement IT Security policies and procedures for the administration of security measures over the network, operating system.
- Implement strong password controls to authenticate system access. Incorporate this aspect in the IT Security policy.
- Ensure the ELM correctly configures firewalls routers within the network environment to ensure optimal protection against unauthorised access.
- Ensure that there is anti-virus software across the organisation to protect information systems.
 - Ensure there is patch management process to prevent exploitation of vulnerabilities.
 - Ensures that activities within the system network, including databases are tracked by using audit trails by someone independent of administration functions.
 - Ensure that system configuration detect security vulnerabilities and that incidents are monitored, reported and resolved on a regular basis.
 - Carry out checks / tests for effectiveness that Firewall, Anti-Virus and Spyware solutions to ensure the ELM's email, intranet and internet are protected.

- Perform additional related responsibilities as required to ensure compliance with the Auditor General’s requirements and relevant laws and regulations.

(c) Development of IT Master Systems Plan:

- Interview key stakeholders.
- Conduct the Business, Information, Applications, and Technology GAP Analysis.
- Develop IT Master Systems Plan that incorporates Implementation Plan.

(d) Implementation of POPI:

- Conduct POPI Readiness Assessment.
- Develop Plan of Action for POPI Compliance that includes the development of Data Protection Policy and Procedures, Data Privacy Plan.
- Conduct POPI Compliance Assessment to comprehensively evaluate how Plan of Action is implemented to comply with POPI.

(e) Development and Implementation of Business Continuity (BC) and IT Disaster Recovery (DR) Plans:

- Conduct Business Impact Analysis and Risk Assessment.
- Identify the Recovery Strategies.
- Prepare Business Continuity and IT Disaster Recovery Plans.
- Educate and Train on BC and IT DR Plans.
- Test BC and IT DR Plans and update accordingly.

The abovementioned activities have since been completed and presented to council for approval and adoption and are considered as official municipal guideline documents that will enhance service delivery.

3.27 Executive and Council

This section deals with the function of the executive office that includes the Offices of the Mayor, the Speaker and the Municipal Manager. The table below depicts the number of employees and vacancies in each level:

Table 30: Executive and Council

Employees: The Executive and Council					
Task Grade	Year 2022	Year 2023			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	-	-	-	-	-
4 – 6	3	3	2	-	-
7 – 9	3	3	3	-	-
10 – 12	17	17	14	-	
13 – 15	3	3	2	-	-
16 – 18	5	5	5	-	
19 – 20	1	1	1	-	-
Total	32	32	27	-	

3.28 Records Management

The records management is in terms of MM58 of the approved delegation register to the Director Corporate Services. It is done in compliance and obligations as set out in the National Archives and Records Services Act of South Africa (NARSSAA) no 43 of 1996 read with the Provincial and Records Service Act Eastern Cape PARSA (EC) no 7 of 2003 and other directives as issued by both the National and Provincial Archives and Records Services. The records management is conducted more using the Electronic Document and Records Management System (EDRMS) which is an application within the municipal system Integrated Management Information System (IMIS).

The management of municipal documents from creation through to disposal were done in the FY 2022/23. Activities performed included but not limited to uploading, versioning, archival disposal and dispatching of both internal and external correspondence. On monthly basis at-least data base forms from SCM are uploaded. Correspondence is archived and secured within the electronic repository. Agendas and minutes of council and its committees are archived and secured within the electronic repository.

On Quarterly basis the permission rights are viewed by the registry official responsible for the security of documents within the system. Through the archived records schedule update, all A20, D, and DAU records are managed accordingly for the sound purposes of municipal records and documents management. There were applications submitted for the disposal through the Provincial Archivist for the FY 2022/2023. There were disposal activities performed during the 2022/2023 F/Y.

3.29 COMPONENT H: INSTITUTIONAL PERFORMANCE MANAGEMENT

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions.

Departmental operational plans were developed for monitoring and reporting operational programmes. The Municipality endeavoured during the development of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific, measurable, attainable, realistic and time bound.

Table 31: Compliance Checklist

	Performance Management Policy	All MSA s57/56 Performance contracts signed	Audit Committee	Municipal Public Accounts Committee (MPAC)	Annual Reporting to Council
In place	√	√	√	√	√

3.29.1 Service Delivery and Budget Implementation Plan

The organizational performance is evaluated by means of the institutional Service Delivery and Budget Implementation Plan (Top Layer SDBIP). At the departmental level the performance is measured through the departmental Service Delivery and Budget Implementation Plan (lower layer SDBIP). The SDBIP is a plan that converts the IDP and Budget into measurable indicators on how, where and when the strategies, objectives and normal business processes of the Municipality are implemented. It also allocates responsibilities to Departments to deliver the services in terms of the IDP and Budget. The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned.
- The budget must address the strategic priorities.
- The SDBIP should indicate what the municipality is going to do during the next 12 months; and

- The SDBIP should form the basis for measuring the performance against goals set during the budget/IDP processes.

The Top Layer SDBIP (the Municipal Scorecard) consolidates service delivery targets set by Council and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Table 55: Assessment Methodology

Colour	Category	Explanation
Grey	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
Red	KPI Not Met	Actual vs. target less than 75%
Orange	KPI Almost Met	Actual vs. target is 75% and more but less than 100%
Green	KPI Met	Actual vs. target 100% achieved
Dark Green	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
Dark Blue	KPI Extremely Well Met	Actual vs. target more than 150% achieved

3.29.2 Planned Targets Vs Actual Results for the 2023/24 Financial Year

This section of the Annual Performance Report, reports on the municipality’s actual performance against the planned targets. A total of 23 Key Performance Indicators were set for the year under review. Out of 23 KPIs, 06 indicators were not achieved, and 17 indicators were achieved. This achievement translates to 73.9% and 26.1% of under-achievement. The graph below shows percentage overall of institutional performance.

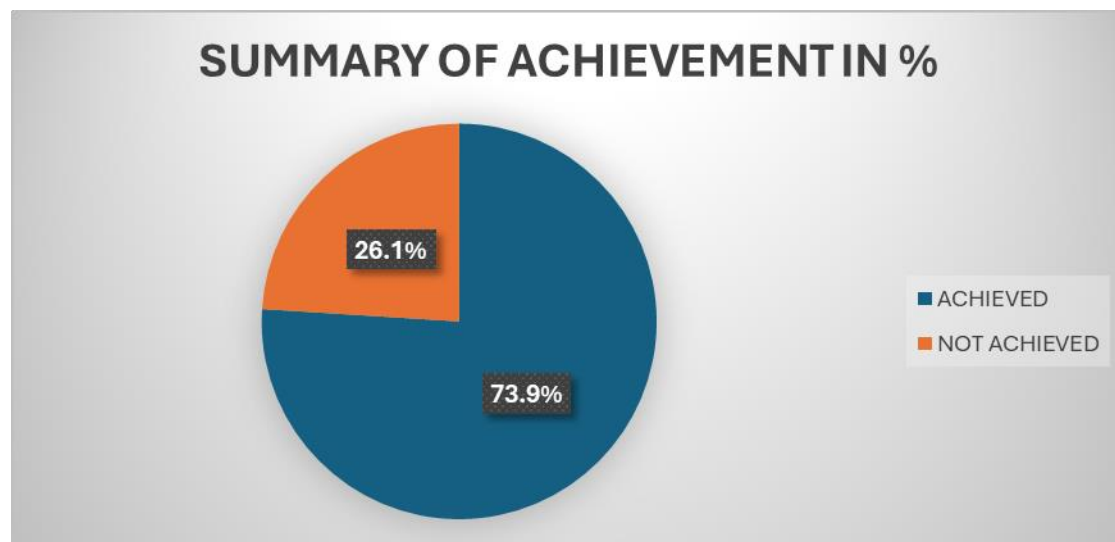


Figure 3: Summary of Performance Achievement in Percentage

3.29.3 Overall Summary of Results

Table 56 : Overall Institutional Performance

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	0	0%
R	KPI Not Met	0% <= Actual/Target <= 74.999%	4	17.39%
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	2	8.70%
G	KPI Met	Actual meets Target (Actual/Target = 100%)	9	39.13%
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	6	26.08%
B	KPI Extremely Well Met	150.000% <= Actual/Target	2	8.70%
	Total KPIs:		23	100%

3.29.4 Annual Performance Report 2023-24

Table 57: Annual Performance Report

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
TL_1 linked to D1	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of kms of Roads Constructed	11.07	3.90 km	5.46 km	G 2	<p>Target overachieved</p> <ul style="list-style-type: none"> - Ugie Park streets original scope was 800m of paved road, however only 714m was achieved due to available space and an additional of 800m G7 gravel road section was constructed from the available savings. - Greenfields original scope was 1,1km but ended up with an additional 2.85 km of G7 Gravel wearing course due to savings and in preparation for Phase 2. 	Paving of Mt Fletcher urban streets was extended from 18 th June 2024 to 30 th September 2024 and only 750m out of planned 800m was achieved work is in progress until 30 September 2024.
TL_2 linked to D2	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of public Amenities Constructed	3	3	1	R	<p>Target not achieved.</p> <ul style="list-style-type: none"> - Hopedale Sports Field not achieved due to budget shortfall of R3.5m - ELM was supposed to counterfund as per condition of acceptance of DSRAC funding of R8m towards the total project cost of R14m. - Budget shortfall in April of Q4 for Mt Fletcher Public Toilets. Due to additional funding request for additional works to complete 	<p>Contractors to submit and implement accelerated program of works in all projects.</p> <ul style="list-style-type: none"> - ELM to approve VO application within 30 days to prevent cashflow interruptions in projects concerned. - ELM to source the shortfall budget to fund the Hopedale Sports Field project to completion

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
								the structure a VO application was submitted to Management but has not been considered for approval to date and that has led to non- completion of the Project by 28 June 2024.	
TL_4 linked to D4	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of Bridges Constructed	1	1	3	G	Target achieved There are two Sophonia bridges that were completed in the financial year under review which were rolled over from the previous financial year.	None
TL_5 linked to D8	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	KMs of urban roads maintained	1 km	1 km	2.54 km	B	Target over-achieved Due to additional maintenance of 1.9km urban gravel roads in Ugie Popcon Valley. There was a need to maintain additional 1.4km in Ugie Popcorn Valley due to installation of stormwater pipes. This was to clear the road of any debris from the stormwater excavations and rehabilitate the street to improve its condition and	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
								drainage.	
TL_7 linked to D12	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of households in electrification program connected	304	304	308	G 2	The planned projects were Westhoek (48), Mahemeng (Iketleng) (86), Skote (86), Xaxazana (84). Target overachieved, the positive deviation was due to 2 additional households at Westhoek and 2 other additional household at Skote. - household wherein 7 needed only service conductor and 8 needed LV material, therefore contingencies and project savings were utilised to cover the additional costs.	None
TL_8 linked to D13	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of kilometers of bulk infrastructure constructed (Link line)	12 km	3 km	4 km	G	Target achieved The planned target of 3 km was erroneously captured during adjustment process in February, the actual target was supposed to be 4km instead of 3km, therefore the target is not overachieved	None
TL_15 linked to D18	To ensure efficient construction,	Basic Service Delivery	Number of public lights installed	22	24 2	24 2 High	G	Target achieved	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
	rehabilitation and maintenance of municipal infrastructure	and Infrastructure			high mast and 22 Streets lights	masts and 22 streetlights			
TL_18 linked to D15	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of smart meters installed	6 400	6 400	2 769	R	Target not achieved Contractor failed to achieve the planned target due to his capacity deficiencies.	Current contractor to be terminated as of June 2024 -Phase2 of the project has to be readvertised on first quarter of 2024/25 Project is to be completed in quarter 3 of the next financial year (2024/25).
TL_9 linked to D71	To provide reliable basic services to households and the business sector	Basic Services Delivery and Infrastructure	Number of Indigent households receiving Free Basic Services	7500	7 500	6 474	O	Target partially achieved due to failure from ESKOM to configure applicants who were approved by council.	Timely submission of applicants to Council for approval and prompt configuration by ESKOM would assist in getting more households to benefit.
TL_10 linked to D21	To provide reliable basic services to households and the business sector	Basic Service Delivery and Infrastructure	Number of areas receiving refuse collection, for household and commercial properties.	39	59	59	G	Target achieved	None
TL_13 linked to D48	To enhance organisational performance, financial	Municipal Transformation and Organisati	Number of organizational structures reviewed	1	1	1	G	Target achieved	None

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Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
	viability and management of municipal resources	onal Development							
TL_14 linked to D47	To enhance organisational performance, financial viability and management of municipal resources	Municipal Transformation and Organisational Development	Percentage implementation of identified training interventions	100%	100.0%	71%	R	Target partially achieved. The underachievement was due to the unavailability of funds to implement training interventions as planned	The remaining training interventions will be implemented in the upcoming financial year
TL_26 linked to D86	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of contractors SMMEs benefitted through sub-contracting	10	10	11	G2	Target overachieved. A positive deviation was due to the appointment of 1 SMME through INEP	None
TL_31 linked to D90	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of focus groups enterprise development projects supported	0	5	3	R	Target not achieved, Support to two women-owned enterprises was not achieved, this was due to delays caused by SCM section in procuring the goods and services needed.	The procurement process will be carried over to the next financial year.
TL_16 linked to D58	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of youth development projects implemented	4	2	2	G	Target Achieved	None

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Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
	economy								
TL_17 linked to D30 & D85	To promote creation of employment opportunities and decent job	Local Economic Development	Number of Expanded Public Works Programme (EPWP) job opportunities created	464	584	706	G 2	Target overachieved. Positive deviation was due to additional of 231 job opportunities created because of additional funding received	None
TL_27 linked to D19	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	%expenditure on all infrastructure grants	100.00%	100.00%	100.00%	G	Target Achieved	None
TL_19 linked to D52	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Percentage expenditure of the municipal budget for training and development	100.00%	100.00%	100.00%	G	Target Achieved	None
TL_20 linked to D31	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Revenue generated from vehicle's registration and licensing	R4 000 000	R3 000 000	R3,606,366	G 2	Target over-achieved. Customers came from the surrounding municipalities due to the efficiency and functionality of our systems and good customer service.	None
TL_21 linked to D72	To enhance organisational performance,	Financial Viability and	Average Number of days taken	30	30	9	B	Target over-achieved due to efficiency in the payment of	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024				Performance Comments	Corrective Measure
				Original Target	Revised Target	Actual	R		
	financial viability and management of municipal resources	Management	to pay Creditors					municipal creditors	
TL_22 linked to D77	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Municipality's ability to payback its short-term liabilities with its short-term assets.	1.5:1	1.5:1	1.291:1	O	Target not achieved due to acceleration of project completion for infrastructure projects; poor revenue collection and cashflow challenges in quarter 4.	To implement revenue enhancement strategy in order to help boost our revenue and also implement cost containment measures.
TL_23 linked to D66	To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of public participation and oversight projects implemented	5	5	6	G2	Target overachieved. The positive deviation was due to the additional project that was implemented in partnership with Joe Gqabi District Municipality.	None
TL_24 linked to D63	To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of deliverables implemented on ward-based planning	3	3	3	G	Target achieved	None

3.29.5 Performance Per KPA

ELM had a total of 23 indicators; Basic Service Delivery had a total of 10 indicators out of the 23 indicators; 7 indicators were achieved and 3 indicators were not achieved which translated to 70%

achievement and 30 % not achieved. Financial Viability had a total of 05 indicators out of 23, and 4 indicators were achieved while 1 was not achieved which accounted for 80% achievement and 20 % under-achievement. Good Governance had 02 indicators; and 2 indicators were achieved which accounted for 100% achievement. Local Economic Development had a total of 04 indicators, 3 indicators were achieved and 1 indicator was not achieved which translated to 75% of achievement and 25% of under-achievement. Municipal Transformation KPA had 02 indicators, 1 indicator was achieved and 1 was not achieved which translated to 50% achievement and 50% under-achievement.

Table 328: Summary of Performance Per KPA

	Elundini Local Municipality	Basic Service Delivery and Infrastructure	Financial Management & Viability	Good Governance & Public Participation	Local Economic Development	Municipal Transformation & Organisational Development
Number of Indicators Per KPA	23	10	5	2	4	2
% of indicators Per KPA	100%	43,47%	22%	8,69%	17,39%	8,69%
Actual Performance Achievement Per KPA	17	7	4	2	3	1
% Performance Achievement Per KPA	73,91%	70%	80%	100%	75%	50%

3.29.5.1 KEY PERFORMANCE AREA (KPA) 1: Basic Service Delivery

Goal 1: Accelerate delivery of reliable basic services and resilient infrastructure

Strategic Objective: To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure

Table 59: Basic Services KPA

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
TL_1 linked to D1	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of kms of Roads Constructed	3.90	5.46 km	G2	<p>Target over-achieved</p> <p>- Ugie Park streets original scope was 800m of paved road, however only 714m was achieved due to available space and an additional 800m G7 gravel road section was constructed from the available savings.</p> <p>- Greenfields original scope was 1,1km but ended up with an additional 2.85km of G7 Gravel wearing course due to savings and in preparation for Phase 2</p>	Paving of Mt Fletcher urban streets was extended from 18 th June 2024 to 30 th September 2024 and only 750m out of planned 800m was achieved work is in progress until 30 September 2024.
TL_2 linked to D2	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of public Amenities Constructed	3	1	R	<p>Target not achieved.</p> <p>- Hopedale Sports Field not achieved due to budget shortfall of R3.5m ELM was supposed to counterfund as per condition of acceptance of DSRAC funding of R8m towards the total project cost of R14m.</p> <p>- Budget shortfall in April of Q4 for</p>	The target will be carried over in the next financial year.

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
							Mt Fletched Public Toilets. Due to additional funding request for additional works to complete the structure a VO application was submitted to Management but has not been considered for approval to date and that has led to non-completion of the Project by 28 June 2024.	
TL_4 linked to D4	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	No. of Bridges Constructed	1	3	G	Target achieved	None
TL_5 linked to D8	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	KMs of urban roads maintained	1	2.54 km	B	Target over-achieved Due to additional maintenance of 1.9km urban gravel roads in Ugie Popcon Valley. There was a need to maintain additional 1.4km in Ugie Popcorn	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
							Valley due to installation of stormwater pipes. This was to clear the road of any debris from the stormwater excavations and rehabilitate the street to improve its condition and drainage.	
TL_7 linked to D12	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of households in electrification program connected.	304	308	G2	<p>The planned projects were Westhoek (48), Mahemeng (Iketleng) (86), Skote (86), Xaxazana (84).</p> <p>Target overachieved, the positive deviation was due to 2 additional households at Westhoek and 2 other additional household at Skote.</p> <p>- household wherein 7 needed only service conductor and 8 needed LV material, therefore</p>	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
							contingencies and project savings were utilised to cover the additional costs.	
TL_8 linked to D13	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of kilometers of bulk infrastructure constructed (Link line)	3	4km	G	Target achieved The planned target of 3 km was erroneously captured during adjustment process in February, the actual target was supposed to be 4km instead of 3km, therefore the target is not overachieved	None
TL_15 linked to D18	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of public lights installed	24 2 2high masts 22 streetlights	24 2 2high masts 22 streetlights	G	Target achieved	None
TL_18 linked to D15	To ensure efficient construction, rehabilitation and maintenance of municipal infrastructure	Basic Service Delivery and Infrastructure	Number of smart meters installed	6 400	2 769	R	Target not achieved Contractor failed to achieve the planned target due to his capacity deficiencies.	-Current contractor to be terminated as of June 2024 -Phase2 of the project has to be readvertised on first quarter of

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
								2024/25 -Project is to be completed in quarter 3 of the next financial year (2024/25).
TL_9 linked to D71	To provide reliable basic services to households and the business sector	Basic Services Delivery and Infrastructure	Number of Indigent households receiving Free Basic Services	7 500	6 474	O	Target not achieved due to failure of ESKOM applicants who were approved by council.	Timely submission from applicants to Council for approval and prompt configuration by ESKOM would assist in getting more households to benefit.
TL_10 linked to D21	To provide reliable basic services to households and the business sector	Basic Service Delivery and Infrastructure	Number of areas receiving refuse collection, for household and commercial properties.	59	59	G	Target achieved	None

3.29.5.2 KPA 2: Municipal Transformation and Organisational Development

GOAL 3: Improve effectiveness of governance administrative and financial systems

Strategic Objective: To enhance organisational performance, financial viability and management of municipal resources

Table 60: Municipal Transformation & Organisational Development

Ref	Strategic objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
TL_13 linked to D48	To enhance organisational performance, financial viability and management of municipal resources	Municipal Transformation and Organizational Development	Number of organizational structures reviewed	1	1	G	Target achieved	None
TL_14 linked to D47	To enhance organisational performance, financial viability and management of municipal resources	Municipal Transformation and Organizational Development	Percentage implementation of identified training interventions	100.00%	71%	R	Target partially achieved. The underachievement was due to the unavailability of funds to implement training interventions as planned	The remaining training interventions will be implemented in the upcoming financial year

3.29.5.3 KPA 5: Good Governance and Public Participation

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems

Strategic Objective: To improve public participation and oversight to enhance accountability

Table 61: Good Governance KPA

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
TL_23 linked to D66	To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of public participation and oversight projects implemented	5	6	G2	Target overachieved. The positive deviation was due to the additional project that was implemented in partnership with Joe Gqabi District Municipality.	None
TL_24 linked to D63	To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of deliverables implemented on ward-based planning	3	3	G	Target achieved	None

Ref	Strategic Objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
TL_27 linked to D19	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	%expenditure on all infrastructure grants	100.00%	100.00%	G	Target achieved	None
TL_19 linked to D52	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Percentage expenditure of the municipal budget for training and development	100.00%	100.00%	G	Target achieved	None
TL_20 linked to D31	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Revenue generated from vehicle's registration and licensing	R3 000 000	R3,606,366	G2	Target achieved	None
TL_21 linked to D72	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Average Number of days taken to pay Creditors	30	9	B	Target over-achieved due to efficiency in the payment of municipal creditors	None
TL_22 linked to D77	To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Municipality's ability to payback its short-term liabilities with its short-term assets.	1.5:1	1.291:1	O	Target not achieved due to acceleration of project completion for infrastructure projects; poor revenue collection and cashflow challenges in quarter 4.	To implement revenue enhancement strategy in order to help boost our revenue and also implement cost containment measures.

Table 62: Financial Viability & Management**3.29.5.4 KPA 4: Financial Viability and management****Goal3: Improve the effectiveness of governance administrative and financial systems.****Strategic objective: To enhance organisational performance, financial viability and management of municipal resources****Table 63: Local Economic Development KPA**

Ref	Strategic objectives	Municipal KPA	KPI Name	Overall Performance for September 2023 to June 2024			Performance Comments	Corrective Measure
				Target	Actual	R		
TL_26 linked to D86	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of contractors SMMES benefitted through sub-contracting	10	11	G2	Target overachieved A positive deviation was due to the appointment of 1 SMME through INEP	None
TL_31 linked to D90	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of focus groups enterprise development projects supported	5	3	R	Target not achieved, Support to two women owned enterprises was not achieved, this was due to delays caused by SCM section in procuring the goods and services needed.	The procurement process will be carried over to the next financial year.
TL_16 linked to D58	To support the development of SMME to participate in a diversified and growing economy	Local Economic Development	Number of youth development projects implemented	2	2	G	Target Achieved	None
TL_17 linked to D30 & D85	To promote creation of employment opportunities and decent job	Local Economic Development	Number of Expanded Public Works Programme (EPWP) job opportunities created	584	706	G2	Target overachieved. Positive deviation was due to additional of 231 job opportunities created because of additional funding received	None

3.29.5.5 KEY PERFORMANCE AREA (KPA) 3: LOCAL ECONOMIC DEVELOPMENT

Goal(s) 2: Promote economic growth, environmental sustainability through job absorbing sectors

Strategic Objective: To promote creation of employment opportunities and decent jobs

To support the development of SMME to participate in a diversified and growing economy

3.30 Comparison of Performance for Previous Year Against the Current Year

Section 46(1)(b) of the Municipal Systems Act requires the municipality to make comparison of performances for the current and previous years' performance. Section 32 of Municipal Systems Act requires a municipality to prepare for each financial year a performance report reflecting a comparison of the performance with targets set for performance in the previous financial year. The table below shows the comparison of performance for previous against the current year.

Table 64: Comparison of the Previous & Current Year Performance

Strategic Objectives	Municipal KPA	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of households in electrification programme connected.	320	327	304	308
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of km's of link line constructed (Batlokoa 02)	14km	14km	3km	4km
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of public lights installed	28	25 Street lights 03 Highmast	24	24
					22 Street lights 02 Highmast	

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Strategic Objectives	Municipal KPA	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	% of maintenance completed for electricity network as per the maintenance plan	100%	114%	100%	100%
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of electricity network upgraded	2	2	2	2
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of smart meters installed	1800	22	6400	2 810
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	KMs of roads constructed	7.98	7.3	3.9	6.264
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of public amenities constructed	3	2	3	1
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of bridges rehabilitated (2 x Ward 7 Bridge in Sophonia)	2	0	N/A	N/A
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of bridges constructed	N/A	N/A	1	3
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of kms of remedial works at Sonwabile streets	1,95	1.95	N/A	N/A
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of KMs of access roads maintained	150	150,5	150	95.40%
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	% completed of Stormwater repairs/ maintenance	100%	114%	N/A	N/A
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	% completed of urban roads maintenance	100%	140%	N/A	N/A
To ensure efficient construction, rehabilitation and Maintenance	Basic Service Delivery	Number of KMs of urban roads	N/A	N/A	1	2.54

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Strategic Objectives	Municipal KPA	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
of Municipal Infrastructure	and Infrastructure	maintained				
To provide reliable basic services to households and business sector	Basic Service Delivery and Infrastructure	Number of indigent households receiving free basic services	5000	6814	7500	6 474
To provide reliable basic services to households and business sector	Basic Service Delivery and Infrastructure	Number of areas receiving refuse collection from urban and commercial properties	39	59	59	59
To ensure efficient construction, rehabilitation and Maintenance of Municipal Infrastructure	Basic Service Delivery and Infrastructure	Number of bridges repaired/maintained (Tsitsa Bridge)	1	0	N/A	N/A
To enhance organisational performance , Financial viability and management of municipal resources	Financial Viability and Management	% of the Municipality's budget for training and development actually spent.	100%	104%	100%	100%
To enhance organisational performance , Financial viability and management of municipal resources	Financial Viability and Management	% expenditure on all infrastructure grants	100%	100%	100%	100%
To enhance organisational performance , Financial viability and management of municipal resources	Financial Viability and Management	Revenue generated from vehicle's registration and licensing	R5.1 million	R12 994 947.62	R3 million	R3 606 366
To enhance organisational performance , Financial viability and management of municipal resources	Financial Viability and Management	Average Number of days taken to pay Creditors	30	10	30	9
To enhance organisational performance, financial viability and management of municipal resources	Financial Viability and Management	Municipality's ability to payback its short-term liabilities with its short-term assets.	1.5:1	1.231:1	1.5:1	1.291:1
To enhance organisational	Municipal	% implementation	100%	92%	100%	43%

Strategic Objectives	Municipal KPA	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
performance, financial viability and management of municipal resources	Transformation and Organisational Development	of identified training interventions				
To enhance organisational performance, financial viability and management of municipal resources	Municipal Transformation and Organisational Development	Number of organizational structures reviewed	2	2	1	1
To support the development of SMME's to participate in a diversified and growing economy	Local Economic Development	Number of contractors SMMEs benefitted through sub-contracting	11	6	10	11
To support the development of SMME's to participate in a diversified and growing economy	Local Economic Development	Number of focus groups enterprise development projects supported	12	8	5	3
To support the development of SMME's to participate in a diversified and growing economy	Local Economic Development	Number of youth development projects implemented	4	4	2	2
To promote creation of employment opportunities and decent jobs	Local Economic Development	Number of work opportunities created through EPWP	459	653	584	706
To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of public participation and oversight projects implemented	4	5	5	6
To improve public participation and oversight to enhance accountability	Good Governance and Public Participation	Number of deliverables implemented on ward-based planning	3	4	3	3

3.31 Lower Layer/Departmental SDBIP

The lower layer of the SDBIP was audited by internal audit only and was not audited by Auditor-General. Some of the indicators though in the lower are also in the top layer which was subjected to both internal

and external audit especially basic services indicators and targets for Infrastructure Planning & Development. A total of 82 indicators were planned; Infrastructure Planning and Development had a total of 20 indicators; 14 indicators were achieved (70%) and 06 indicators were not achieved (30%). Budget and Treasury Office had a total of 14 indicators, and 9 indicators were achieved (64.8%) while 05 were not achieved (35.7%). Community Services had 9 indicators; 6 indicators were achieved (66%) while 3 were not achieved (33.3%). Planning and Economic Development had a total of 11 indicators, 9 indicators were achieved (81.81%) and 2 indicators were not achieved (18.18%). Corporate Services had 12 indicators, 10 indicators were achieved (83.3%) and 2 were not achieved (16.66%). Office of the Municipal Manager had a total of 16 indicators; 14 indicators were achieved (87.5%) and 02 indicators were not achieved (12.5%).

Table 65: Departmental annual performance 2023/24

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
D1	Basic Service Delivery and Infrastructure	No. of kms of Roads Constructed	3.90	5.46 Km	G2	Target overachieved Ugie Park streets original scope was 800m of paved road, however only 714m was achieved due to available space and an additional 800mm G7 gravel road section was constructed from the available savings. Greenfields original scope was 1,1km but ended up with an additional 2.85 km of G7 Gravel wearing course due to savings and in preparation for Phase 2.	Paving of Mt Fletcher Urban streets was extended from 18 th June 2024 to 30 th September 2024 and only 750m out of planned 800m was achieved. Work is in progress until 30 September 2024.
D2	Basic Service Delivery and Infrastructure	No. of public Amenities Constructed	3	1	R	Target not achieved. -Hopedale Sports Field not achieved due to budget shortfall of R3.5 M. ELM was supposed to counterfund as per condition of acceptance of	The budget maintenance application for Hopedale sport field was submitted to CoGTA for financing the

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
						<p>DSRAC funding of R8m towards the total project cost of R14m.</p> <p>Mt Fletcher public toilets could not be completed due to Budget shortfall Q4.</p> <p>The request of additional funds was submitted to management due to additional works to complete the structure, but the request not been considered for approval which led to non-completion of the Project.</p>	<p>project. The project will continue upon the approval of the budget application.</p> <p>Both Target will be carried over to the next financial year.</p>
D4	Basic Service Delivery and Infrastructure	No.of Bridges Constructed	1	3	G	<p>Target achieved</p> <p>There are two Sophonia bridges that were completed in the financial year under review which were rolledover from the previous financial year.</p>	None
D5	Basic Service Delivery and Infrastructure	No. of Kms of Stormwater drains Constructed	1	0.47	R	<p>Target not achieved</p> <p>The project construction stage started after the rainy season and after budget mid-term adjustment in towards end March 2023. The department had a budget of R3m to construct only 1km of concrete V-Drains and the department had done a virement of R1m of the budget for other maintenance operations that were more urgent for yellow fleet operations and maintenance. This meant that the R2m available the</p>	<p>The target will be carry- over to quarter 1 of 2024/25 FY.</p>

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
					R	<p>department must consider installing pipe culverts that would be done in the future phase of the project and cut the 1km to 473m and install the 2 pipe culverts to curb the erosion that had happened downstream the road in the next coming summer rains.</p> <p>Additional pipe culverts at 2 critical roads intersection were needed during the project to further improve stormwater drainage and prevent more erosion of the black top surfacing</p> <p>11x concrete driveways became a necessity as the drains cutting in front of entrances caused impediments to access the households in question The above-mentioned additional features prompted a variation order for additional funding of R382 000.00 as the original budget not sufficient.</p>	
D6	Basic Service Delivery and Infrastructure	No. of Kms of access roads maintained	150	95.40 Km	R	<p>Target not achieved initial access Road maintenance plan was scheduled for Wards (2,4, 10,11,12,13,14 &15), however due to Community service delivery unrests, the plan had to be diverted to focus</p>	<p>Road maintenance plan was adjusted to carry over the maintenance of the wards that were initially planned for</p>

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
						<p>on ward 5&6 to respond to the community unrest from March until May 2024.</p> <p>There was budget constrains to hire additional Plant contract to maintain access roads as planned.</p>	<p>maintenance to first quarter of 2024/25 FY.</p> <p>Community awareness will be conducted in partnership with public participation unit to educate community members on the negative impact of unrest that affect service delivery.</p>
D8	Basic Service Delivery and Infrastructure	No of KMs of urban roads maintained	1	2.54 Km	B	<p>Target over-achieved Due to the maintenance of 1.9km urban gravel roads in Ugie Popcon Valley. There was a need to maintain additional 1.4km in Ugie Popcorn Valley due to installation of stormwater pipes. This was to clear the road of any debris from the stormwater excavations and rehabilitate the street to improve its condition and drainage.</p>	None
D9	Basic Service Delivery and Infrastructure	Square Meters of urban roads maintained	2 800	2 438.50	O	<p>Target partially achieved - 2439 square meter cumulative surfaced roads maintained to date. 2439 square meter (80%) of square meters achieved due to bitumen supply in the country ran out of bitumen end of April 2024 and supplies are</p>	Target will be carried over to the next financial year.

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
						anticipated in August, as a result service providers could not honour Municipal orders. - Community service delivery unrests taxi unrests resulted in the operations of the municipality being negatively impacted.	
D10	Basic Service Delivery and Infrastructure	Percentage construction of phase 2 of municipal building completed	100.00 %	100.00%	G	Target achieved	None
D12	Basic Service Delivery and Infrastructure	Number of households in electrification program connected	304	308	G2	Target over-achieved Projects were Westhoek (48), Mahemeng (Iketleng) (86), Skote (86), Xaxazana (84). The positive deviation was due to two additional households at Westhoek and two other additional households at Skote. Households wherein 7 needed only service conductor and 8 LV material therefore contingencies and project savings were utilised to cover the additional costs.	None
D13	Basic Service Delivery and Infrastructure	Number of kilometers of bulk infrastructure constructed	3	4 Km	G	Target achieved The planned target of 3 KM 's was erroneously captured during adjustment process in February, the actual target	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
		(Link line)				was supposed to be 4 KM instead of 3 km, therefore the target is not overachieved	
D14	Basic Service Delivery and Infrastructure	% maintenance of public lighting (Streetlight or highmast light).	100.00 %	100.00%	G	Target achieved	None
D15	Basic Service Delivery and Infrastructure	Number of smart meters installed	6 400	2 769	R	Target not achieved Contractor failed to achieve the planned target due to his capacity deficiencies.	Current contractor to be terminated as of June 2024 Phase2 of the project has to be readvertised on first quarter of 2024/25 Project is to be completed in quarter 3 of 2024/25
D16	Basic Service Delivery and Infrastructure	% of maintenance completed for electricity network as per the maintenance plan	100.00 %	163.00%	B	Target overachieved During quarter four, the 18 defects that remained from quarter three were maintained according to the defect analysis submitted during quarter one inspections. This indicates that all identified defects from the inspection were addressed. In quarter three, 31 defects were maintained and in quarter four, an additional 18 defects were successfully addressed and maintained.	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
D17	Basic Service Delivery and Infrastructure	Number of Networks upgraded	2	2	G	Target was completed in quarter two due to the urgency of electrical connection that was required for Erf 4659, therefore it was suggested that combining the projects would save capital budget on preliminaries and generals as well as providing an opportunity for SMME to sub-contract on the project	None
D18	Basic Service Delivery and Infrastructure	Number of public lights installed	2 high mast and 22 streetlights	2 high mast and 22 streetlights	G	Target was achieved in Q 3	None
D19	Financial Viability and Management	%expenditure on all infrastructure grants	100.00 %	100.00 %	G	Target was achieved.	None
D21	Basic Service Delivery and Infrastructure	Number of areas receiving refuse collection, for household and commercial properties.	59	59	G	Target was achieved.	None
D22	Basic Service Delivery and Infrastructure	Number of Climate Change Strategies developed	1	0	R	Target not achieved due to delayed procurement processes.	SCM unit to schedule bid committee meetings to deal with the project in the

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
							2024/25 FY.
D2 3	Basic Service Delivery and Infrastructure	Number of environmental and public safety awareness campaigns conducted	4	3	O	Target partially achieved Due to the road safety project that was not achieved in Quarter 1	The target was not supposed to be included in quarter 1 as there are no major activities in the calendar.
D2 4	Basic Service Delivery and Infrastructure	Number of roadblocks conducted	20	33	B	Target overachieved. Due to six additional roadblocks conducted in conjunction with Provincial traffic and SAPS Tlokoeng, Ugie and Nqanqarhu. Due to high road accidents the department had to conduct more roadblocks. (June 2024)	None
D2 8	Basic Service Delivery and Infrastructure	Number of functional libraries managed through the SLA with Department of Sports, Recreation, Arts and Culture.	3	3	G	Target achieved.	None
D3 0	Local Economic Development	Number of Expanded Public Works Programme (EPWP) job opportunities created	414	517	B	Target overachieved Positive deviation was due to additional funding received 231 additional jobs opportunities created because of additional funding received	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
D3 1	Financial viability and management	Revenue generated from vehicle's registration and licensing (rand value)	R3 000 000.00	R3 606 366	G2	Target overachieved. Customers came from the surrounding Municipalities as our systems are always running and customer care service	None
D3 2	Basic Service Delivery and Infrastructure	Number of Circular 88 reports developed and submitted	4	4	G	Target Achieved.	None
D3 3	Basic Service Delivery and Infrastructure	Number of bylaws reviewed	12	1	R	Target not achieved. The bylaws were never reviewed as planned and they were never approved by the council.	Office of the Municipal Manager to coordinate the bylaw stakeholder engagement with Mt Fletcher stakeholders.
D3 4	Local Economic Development	Number of initiatives implemented towards the establishment of Agro Processing	3	3	G	Target Achieved.	None
D3 5	Local Economic Development	Number of Local SMMEs capacitated through RPL program	12	12	G	Target Achieved	None
D3 6	Local Economic	Number of initiatives	3	3	G	Target Achieved	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	Development	implemented towards wool industry development					
D37	Local Economic Development	Number of destination marketing initiatives	2	2	G	Target Achieved	None
D38	Local Economic Development	Number of property investment attraction initiatives implemented	2	2	G	Target Achieved.	None
D39	Local Economic Development	Number of initiatives implemented towards improving land use & planning	2	1	R	Target not achieved	Corrective comment
D40	Local Economic Development	Number of initiatives implemented towards improving built environment	1	1	G	Target achieved	None
D41	Local Economic Development	Number of initiatives towards the improvement of business licencing and	2	2	G	Target achieved	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
		permitting					
D4 2	Local Economic Development	Number of CDC Oversight Reports	2	2	G	Target Achieved	None
D4 3	Local Economic Development	Number of milestones completed towards completion and implementation of the general valuation roll	1	0	R	The department crafted the specification of the valuation roll on time. The advert was done on time and closed on the 30 October 2023. It has been on the Bid evaluation and adjudication for the past 8 months.	The matter has been escalated to the Accounting Officer.
D4 4	Local Economic Development	Number of Circular 88 reports submitted	4	4	G	Target achieved	None
D4 5	Municipal Transformation and Organisational Development	Percentage functionality of local labour forum and its committees	100.00 %	175.00%	B	Target overachieved Positive deviation was due to the additional 3 committee meetings held	None
D4 6	Municipal Transformation and Organisational Development	Number of legislative compliance reports submitted to relevant public bodies	3	3	G	Target achieved	None
D4 7	Municipal Transformation	Percentage implementation of	100.00 %	71%	R	Target not achieved The underachievement was	The remaining training interventions

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	and Organisational Development	identified training interventions				due to unavailability of funds to implement training interventions as planned.	will be implemented in the upcoming financial year
D48	Municipal Transformation and Organisational Development	Number of organizational structures reviewed	1	1	G	Target achieved	None
D49	Municipal Transformation and Organisational Development	Percentage of implementation of programs/plans identified in the wellness and OHS strategies	100.00%	210.00%	B	Target overachieved positive deviation was due to 21 additional activities conducted	None
D50	Municipal Transformation and Organisational Development	Percentage of HR policies reviewed	100	50	R	Target not achieved. The underperformance was due to some of policies which had to undergo a consultation process with labour component.	Target to be achieved in 24/25 financial year.
D51	Municipal Transformation and Organisational Development	Number of security system projects implemented	6	6	G	Target achieved	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
D5 2	Financial Viability and Management	Percentage expenditure of the municipal budget for training and development	100.00 %	100.00%	G	Target achieved.	None
D5 3	Good Governance and Public Participation	Number of ICT projects implemented	7	7	G	Target achieved	None
D5 4	Municipal Transformation and Organisational Development	Percentage functionality of council and its committees	100.00 %	180.00%	B	Target overachieved The positive deviation was due to the number of unscheduled special meetings that were convened to attend to special matters that Council and Council Committees had to table for noting or approval	None
D5 5	Municipal Transformation and Organisational Development	Number of document management System projects implemented	3	3	G	Target achieved	None
D5 6	Good Governance and Public Participation	Number of Circular 88 reports submitted	4	4	G	Target achieved	None
D5 7	Good Governance	Percentage of	100.00 %	113.00%	G2	Target overachieved. The positive deviation was	None.

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	ce and Public Participation	institutional PMS process plans implemented				due to the coordination and consolidation of Circular 88 Reports and submission to CoGTA.	
D58	Good Governance and Public Participation	Number of youth development projects implemented	2	2	G	Target Achieved	None
D59	Good Governance and Public Participation	Number of institutional strategic plans developed	2	2	G	Target achieved	None
D60	Good Governance and Public Participation	Number of risk & ethics management projects implemented	4	7	B	Target Overachieved. The positive deviation was due to policies and strategy development, the facilitation of the appointment of the Risk committee chairperson and the training on Anti-fraud and corruption strategy which were additional activities.	None.
D61	Good Governance and Public Participation	Number of IDP Process Plans developed	1	1	G	Target achieved.	None.
D62	Good Governance and Public	Percentage of institutional IDP process	100.00 %	140.00 %	G2	Target overachieved Positive deviation was due to additional activities of coordination of ward-	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	Participation	plans Implemented				based plans and preparatory sections with executive assistance in preparation for the departmental strategic sessions	
D63	Good Governance and Public Participation	Number of deliverables implemented on ward-based planning	3	3	G	Target achieved	None
D64	Good Governance and Public Participation	% of completed Internal audit projects of the approved internal audit plan	100.00 %	84 %	O	Target partially achieved. 21 Internal Audit projects were completed over 25 internal audit projects.	Uncompleted Internal projects will be moved to next financial year: 1. Compliance with the Municipal Systems Act 2. Review of Municipal by-laws enforcement (Waste Management) 3. Traffic Services (Governance audit) 4. Quality assurance review
D65	Good Governance and Public Participation	Number of legal services projects implemented	3	3	G	Target Achieved. Target was revised from 4 to 3 due to the vacancy of the position for quarter 1 & quarter 2.	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
D66	Good Governance and Public Participation	Number of public participation and oversight projects implemented	5	6	G2	Target overachieved. The positive deviation was due to the additional activity (Initiation forum).	None.
D67	Good Governance and Public Participation	Number of communications projects implemented	5	8	B	Target overachieved. Communications drafted a Media Plan for the SOMA, articles to the other media houses and support and partnership to DRDAR on the women entrepreneurship competition and awards.	None
D68	Good Governance and Public Participation	Number of customer care projects implemented	5	5	G	Target Achieved.	None
D69	Good Governance and Public Participation	Number of focus groups social projects implemented	2	2	G	Target achieved	None
D70	Good Governance and Public Participation	Number of MSI projects implemented	3	3	G	Target achieved	None
D71	Financial Viability and Management	Number of Indigent households receiving	7 500	6 474	O	Target partially achieved due to failure from ESKOM to configure applicants who were approved by	Timely submission of applicants to Council for

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	ent	Free Basic Services				Council.	approval and prompt configuration by Eskom would assist in getting more households to benefit.
D7 2	Financial Viability and Management	Average Number of days taken to pay Creditors	30	9	B	Target overachieved due to efficiency in the payment of municipal creditors.	None
D7 3	Financial Viability and Management	Average Number of days to receive payment from debtors	360	677	R	The target not achieved, due to the debt collection unit has only one incumbent and one vacancy since 2022 which leads to difficulties in distribution of final demands notices for the customers that do not have emails. Debt collectors contract ended in December 2023.	To train the incumbent in Munsoft debt collection functionality, data cleansing of the information on the system is needed.
D7 4	Financial Viability and Management	Percentage collection on billed revenue	95.00%	106.00%	G2	Target overachieved positive deviation was due to successful measures taken to coerce customers to pay their debt e.g to register and to do electricity cut offs	None
D7 5	Financial Viability and Management	% Reduction in level of historical Debt owed	10.00%	0.80%	R	Target not achieved due to the shortage of staff within debt collection unit. No debt collection service provider to assist with the campaign and that debtors are complaining that they have no liquid funds to	More advertisement is needed. improve public awareness of the debt incentive policy in all platforms

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
						make payment.	of the municipality and finalise the employment of the debt collection clerk that has been long outstanding.
D7 6	Financial Viability and Management	Number of Asset Project implemented	2	2	G	Target achieved	None
D7 7	Financial Viability and Management	Municipality's ability to payback its short-term liabilities with its short-term assets (Current ratio)	1.501.1 :	1.731.1:	G2	target overachieved due to the overachievements of quarter 2 &3. However, there is a need to improve the implementation of revenue enhancement strategy in order to help boost our revenue and also implement cost containment measures	
D7 8	Financial Viability and Management	Number of months for the municipality's ability to meet monthly fixed operating commitments from cash and short-term investments without	3	1	B	Target achieved	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
		collecting any additional revenue					
D79	Financial Viability and Management	Budgeted Capital vs Total Expenditure ratio	20.00%	34.50%	B	Target overachieved	None
D80	Financial Viability and Management	Percentage implementation of the approved cost reduction strategy	100.00%	100.00%	G	Target achieved	None
D81	Financial Viability and Management	Number of SCM projects implemented	5	5	G	Target achieved	None
D82	Financial Viability and Management	Number of credible Interim and annual financial statements	2	2	G	Target achieved	None
D83	Financial Viability and Management	Number of revenue enhancement strategy reviewed	1	0	R	Target not achieved. meetings were called for other departments to contribute to the development of the strategy, but the meetings did not materialise due to non-availability of personnel to participate. draft revenue enhancement strategy was developed but did not	A decision was taken to have the development of the strategy be included in the debt collection tender.

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
						meet treasury standards hence the decision to include it on the debt collection tender.	
D84	Basic Service Delivery and Infrastructure	Number of Circular 88 reports submitted	1	1	G	Target achieved	None
D85	Local Economic Development	Number of work opportunities created through EPWP	170	189	G2	Target overachieved positive deviation was due to additional employment opportunities created in quarter 2.	None
D86	Local Economic Development	Number of contractors SMMEs benefitted through sub-contracting	10	11	G2	Target overachieved. A positive deviation was due to the appointment of 1 SMME through INEP.	None
D89	Basic Service Delivery and Infrastructure	Number of Remedial works Refele Sports Field	1	0	R	Target not achieved ELM did not have the budget in the reserves to carry out this project	Comment
D90	Local Economic Development	Number of focus groups enterprise development projects supported	5	3	R	Target not achieved Support to two women-owned enterprises was not achieved, this was due to delays caused by SCM section in procuring the goods and services needed.	The procurement process will be carried over to the next financial year.
D91	Good Governan	Number of HIV/AIDS	2	2	G	Target achieved	None

Ref	Municipal KPA	KPI Name	Overall Performance for July 2023 to June 2024				
			Target	Actual	R	Performance Comment	Corrective Measures
	ce and Public Participation	programs implemented					
D92	Good Governance and Public Participation	Number of circular 88 reports submitted	4	0	R	Target not achieved Due to non-submission of reports by BTO department	The Municipality has consulted Department of Cogta to conduct training on Circular 88 reporting.

3.31.5 Comparison of Performance for Previous Year Against the Current Year

Section 46(1)(b) of the Municipal Systems Act requires the municipality to make comparison of performances for the current and previous years' performance. Section 32 of Municipal Systems Act requires a municipality to prepare for each financial year a performance report reflecting a comparison of the performance with targets set for performance in the previous financial year. The table below shows the comparison of performance for previous against the current year.

Table 66: Comparison of the Previous & Current Year Performance

Responsible Directorate	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
Basic Service Delivery and Infrastructure	Number of households in electrification programme connected.	320	327	304	308
Basic Service Delivery and Infrastructure	Number of km's of link line constructed (Batlokoa 02)	14km	14km	3km	4km
Basic Service Delivery and Infrastructure	Number of public lights installed	28	25 Street lights 03 Highmast	24	22 Street lights 02 Highmast

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Responsible Directorate	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
Basic Service Delivery and Infrastructure	% of maintenance completed for electricity network as per the maintenance plan	100%	114%	100%	100%
Basic Service Delivery and Infrastructure	Number of electricity network upgraded	2	2	2	2
Basic Service Delivery and Infrastructure	Number of smart meters installed	1800	22	6400	2 810
Basic Service Delivery and Infrastructure	KMs of roads constructed	7.98	7.3	3.9	6.264
Basic Service Delivery and Infrastructure	Number of public amenities constructed	3	2	3	1
Basic Service Delivery and Infrastructure	Number of bridges rehabilitated (2 x Ward 7 Bridge in Sophonia)	2	0	N/A	N/A
Basic Service Delivery and Infrastructure	Number of bridges constructed	N/A	N/A	1	3
Basic Service Delivery and Infrastructure	Number of kms of remedial works at Sonwabile streets	1,95	1.95	N/A	N/A
Basic Service Delivery and Infrastructure	Number of KMs of access roads maintained	150	150,5	150	95.40%
Basic Service Delivery and Infrastructure	% completed of Stormwater repairs/maintenance	100%	114%	N/A	N/A
Basic Service Delivery and Infrastructure	% completed of urban roads maintenance	100%	140%	N/A	N/A
Basic Service Delivery and Infrastructure	Number of KMs of urban roads maintained	N/A	N/A	1	2.54
Basic Service Delivery and Infrastructure	Number of indigent households receiving free basic services	5000	6814	7500	6 474
Basic Service Delivery and Infrastructure	Number of areas receiving refuse collection from urban and commercial properties	39	59	59	59
Basic Service Delivery and Infrastructure	Number of bridges repaired/maintained (Tsitsa Bridge)	1	0	N/A	N/A
Financial Viability and Management	% of the Municipality's budget for training and development actually spent.	100%	104%	100%	100%
Financial Viability and Management	% expenditure on all infrastructure grants	100%	100%	100%	100%

Responsible Directorate	KPI Name	Target 2022/23	Actual achievement 2022/2023	Target 2023/24	Actual achievement 2023/24
Financial Viability and Management	Revenue generated from vehicle's registration and licensing	R5.1 million	R12 994 947.62	R3 million	R3 606 366
Financial Viability and Management	Average Number of days taken to pay Creditors	30	10	30	9
Financial Viability and Management	Municipality's ability to payback its short-term liabilities with its short-term assets.	1.5:1	1.231:1	1.5:1	1.291:1
Municipal Transformation and Organisational Development	% implementation of identified training interventions	100%	92%	100%	43%
Municipal Transformation and Organisational Development	Number of organizational structures reviewed	2	2	1	1
Local Economic Development	Number of contractors SMMEs benefitted through sub-contracting	11	6	10	11
Local Economic Development	Number of focus groups enterprise development projects supported	12	8	5	3
Local Economic Development	Number of youth development projects implemented	4	4	2	2
Local Economic Development	Number of work opportunities created through EPWP	459	653	584	706
Good Governance and Public Participation	Number of public participation and oversight projects implemented	4	5	5	6
Good Governance and Public Participation	Number of deliverables implemented on ward-based planning	3	4	3	3

3.32 Conclusion

The municipality performed slightly well compared to the previous financial year, out of 23 indicators in the top layer a total of 17 indicators were achieved, which accounted for 73.9% of the overall performance. This is a slight improvement from the previous year's performance of 73%. While regarding departmental performance, out of 82 indicators a total of 61 indicators were achieved, which accounted for 74.4% of the overall performance.

Service delivery challenges for the year under review included: -

- Inadequate capacity of service providers for projects such as training interventions and smart

metres

- Poor revenue collection and shortage of debt collection staff
- Inclement weather
- Service delivery protests which led to deviation from planned road maintenance
- Taxi unrests which resulted in the operation of the Municipality being negatively impacted.
- Unreliable power backup and Vandalism of Network Towers leading to unavailability of network connection are affecting the performance of remote backup.
- Unavailability of power backup at Ugie offices Disaster Recovery site

4 CHAPTER 4 – ORGANIZATIONAL DEVELOPMENT PERFORMANCE PART II

4.1 COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

4.1.1 New Employees

As can be depicted by the table below, the municipality employed 20 employees during the year under review, 9 of them were females and the other 11 were males. Another factor that needs to be commended is the fact that the municipality employed 1 female in senior management positions and 1 male as a senior management. From the new recruits, the municipality prides itself in the employment of 12 youth members below the ages of 35, this guarantees a long standing and guarantees survival of Municipality. Furthermore, to address employment equity, the Municipality encouraged the recruitment of disabled citizens however none were attracted, and this resulted in ensuring that the municipality recruits disabled employees through the EPWP initiative.

Table 33: New employees

NEW EMPLOYEE RECRUITS																
EMPLOYMENT SECTION	FEMALE				MALE				TOTAL				PWD	AGE GROUPS		
	A	C	I	W	A	C	I	W	A	C	I	W		<35	35-55	>55
Community and Social Services	1				4				5					3	2	0
Corporate Services					1				1						1	
Finance	3								3					1	2	
Administration					1				1						1	
Electricity	2								2						2	
Environmental Protection																
Infrastructure Planning					2				2				0	2		
Office of the Municipal Manager	1				1				2					1	1	

Public Safety																
Road Maintenance					1					1					1	
Sport and Recreation																
Waste Management	2				1					3					2	1
Waste Water Management																
Strategic Planning													0			
TOTALS	9				11					20					10	10

4.1.2 New Labor Market Entrants

For 2023/24 financial year, the municipality employed 1 new employee (first time employment) as depicted by the table below, and all these employees are below the age of 35

Table 34: New Labour Market Entrants

NEW LABOUR MARKET ENTRANTS																
EMPLOYMENT SECTION	FEMALE				MALE				TOTAL				PWD	AGE GROUPS		
	A	C	I	W	A	C	I	W	A	C	I	W		<35	35-55	>55
Community and Social Services																
Corporate Services																
Finance	1									1					1	
Administration																
Electricity																
Environmental Protection																
Health																
Infrastructure Planning																

Office of the Municipal Manager																				
Public Safety																				
Road Transport																				
Sport and Recreation																				
Waste Management																				
TOTALS	1													1						1

4.1.3 Labour Turnover

The table below depicts that there have been 16 terminations during the year under review, of which 7 were resignations, 2 cases of death, 5 were retirements. 1 Dismissal, 1 Ill-health.

Table 35: Labour Turnover

EMPLOYMENT SECTION	FEMALE				MALE				TOTAL				RESIGNED		RETIRED		DISMISSED		DEATH	
	A	C	I	W	A	C	I	W	A	C	I	W	F	M	F	M	F	M	F	M
Community and Social Services	2				2				4						1	2				
Corporate Services	3								3						2					1
Finance	2								2				2							
Administration (Office of the Municipal Manager)	1								1				1							
Electricity	1				1				2				1					1		
Environmental Protection																				
Planning & Economic Development																				
Public Safety																				
Infrastructure Planning	2				2				4				2	1						1

Road Transport																		
Sport and Recreation																		
Waste Management																		
Waste Water Management																		
Water and Sanitation																		
TOTALS	11			5				16			7	1	3	2		1	1	1

4.1.4 Employee Totals and Employee Equity

Of the **288** filled positions during the year under review, 152 are female employees, including temporary employees. Total Male employees is 152 including temporary workers for 2023/24 financial year

Table 36: Snapshot of workforce profile for all employees, including people with disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1										1
Senior management	2				3						5
Professionally qualified and experienced specialists and mid-management	11				12						23
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	34	1			62			1			98

Semi-skilled and discretionary decision making	35				28					63
Unskilled and defined decision making	55				42	1				98
TOTAL PERMANENT	138	1			147	1		1		288
Temporary employees	2				3					5
GRAND TOTAL	140	1			150	1		1		293

4.1.5 Staff Turnover & Vacancy Rate

The tables below depict the number of employees, the rate of turnover and the vacancy rate as per vacant funded positions

Table 37: Staff Turnover & Vacancy Rate

Employees					
Description	Year -1	Year - 2			
	2022/23	2023/24			
	Employees No.	Approved and funded Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	-	-			
Waste Water (Sanitation)	-	-			
Electricity	14	14	13	1	7%
Waste Management	85	89	84	5	5.6%
Housing	1	1	1	0	0
Waste Water (Stormwater Drainage)	-	-	-	-	
Roads	34	34	30	3	8.8%

Project Management Unit	6	6	4	2	5.8%
Transport	-	-	-	-	
Planning	5	5	5	0	0
Local Economic Development	5	5	5	0	0
Planning (Strategic & Regulatory)					
Community & Social Services	-	-	-	-	
Environmental Protection					
Health					
Safety and Security	28	28	25	3	10%
Sport and Recreation					
Corporate Policy Offices and Other	123	123	111	12	9.7%
Totals	305	305	278	27	8.8%

The table below depicts the employee 2023/24 status quo per department:

Table 38: Vacancy Rate

Vacancy Rate: 2023/24			
Designations	*Total Approved Posts (Funded)	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	4	0	0%

Other S57 Managers (Finance posts)	0	0	0%
Police officers	0	0	0%
Fire fighters	1	0	0%
Mid management: TASK Grade 14-19 (excluding Finance Posts)	18	2	11%
Mid management: TASK Grade 14-19 (Finance posts)	4	0	0%
Highly skilled supervision: TASK Grade 9-13 (excluding Finance posts)	87	9	10%
Highly skilled supervision: TASK Grade 9-13 (Finance posts)	13	1	0%
Total	129	12	8%

Table 39: Staff Turnover

Turn-over Rate: 2024			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year – 2	20	16	
Year – 1	24	13	

4.2 COMPONENT B: MANAGING MUNICIPAL WORKFORCE

4.2.1 Human Resource Plans and Policies

The table below illustrates the list of HR related policies available in ELM:

Table 40: HR Plans and Policies

HR Policies and Plans				
No.	Name of Policy	Completed	Reviewed	Adopted by Council or comment on failure to adopt
1	Attraction and Retention	X	X	June 2023
2	Code of Conduct for employees	X	X	June 2023
3	Delegations, Authorisation & Responsibility	X	X	June 2023
4	Disciplinary Code and Procedures	X	X	Regulated by SALGBC
5	Essential Services	X	X	Regulated by SALGBC
6	Employee Assistance / Wellness	X	X	June 2023
7	Employment Equity	X	X	June 2023
8	Exit Management (Terminations)	X	X	June 2023
9	Grievance Procedures	X	X	Regulated by SALGBC
10	HIV/Aids	X	X	June 2023
12	Job Evaluation	X	X	June 2023
13	Leave of Absence	X	X	June 2023
14	Occupational Health and Safety	X	X	June 2023
15	Housing Subsidy / Homeowner's Allowance	X	X	June 2023
16	Subsistence and Travel Policy	X	X	June 2023
17	Bereavement Policy	X	X	June 2023
18	Conditions of Service Policy	X	X	June 2023
19	Performance Management and Development	X	X	June 2023
20	Recruitment, Selection and Appointments	X	X	June 2023

21	Remuneration Policy	X	X	Regulated by SALGBC
22	Relocation	X	X	June 2023
23	Sexual Harassment	X	X	June 2023
24	Training & Development Policy	X	X	June 2023
25	Smoking	X	X	June 2023
26	Dress Code Policy	X	X	June 2023

4.2.2 INJURIES, SICKNESS AND SUSPENSIONS

Table 41: Cases of Misconduct

Disciplinary Action Taken on Cases of Financial Misconduct			
POSITION	Nature of Alleged Misconduct and Rand value of any loss to ELM	Disciplinary Action taken	Date Finalized
Community Services	Corruption and Gross Misconduct	Yes	August 2024

INJURIES			
POSITION	Nature of Injure/ Sickness	Action taken	Date Finalized
Building and Civil Works General Worker	Occupational Disease	Taken to hospital	01 February 2024
Community Services General worker	Leg injury	Department of Employment and Labour	04 March 2024

Table 42: Number of Suspension

Number and Period of Suspensions				
DEPARTMENT	NATURE OF ALLEGED MISCONDUCT	DATE OF SUSPENSION	DETAILS OF DISCIPLINARY ACTION TAKEN OR STATUS OF CASE AND REASONS WHY NOT FINALISED	DATE FINALISED
Municipal Manager's Office	Misuse of municipal vehicle	December 2021	Finalised sanction – employee has been transferred to another position where he will not deal with driving.	August 2023
Infrastructure Planning and Development	Unauthorised use of municipal property	January 2022	Finalised sanction – Employee will be transferred to another position	September 2023
Community Services	Corruption and Gross Misconduct	March 2024	Finalised, the employee was dismissed.	August 2024

4.2.3. Performance rewards

4.3 COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

4.3 1. Skills Development and Training

Elundini Municipality compiles and submits the Workplace Skills Plan (WSP) to LGSETA by 30th April each financial year. The WSP is mainly based on training needs identified in the employee's personal development plans, skills audit results as well as the training needs identified for Councillor's and unemployed youth of Elundini. The Skills Development section had a training budget of R 2, 05996.00 and at the end of the financial year, over 100% of the training budget was successfully spent. As a result, during the 2023/24 financial year, a 105% was spend on all the training and development activities that were included in the WSP for the development of Elundini Capacity. Below are the other programs that were coordinated in this section:

a). Bursary Programme for employees

During the 2023/24 financial year, Elundini Municipality disbursed bursary to fourteen new employees (14) across all departments which increased by a number of twenty one in total (21)including the seven that are continuing from 2022/23. The capacitation of employees through formal qualifications ranged from the following courses:

Post Graduate Diplomas in Public Management

Postgraduate in Project Management

Postgraduate Diploma in Public Management

Postgraduate in Accounting

Diploma in Public Supply Management

Local Government Law & Administration

Bachelor's degree in public administration

Bachelor of Commerce in Project Management

Bachelor of Commerce in Humana Resource Development

Bachelor of Commerce in Humana Resource Management

Honour's in Environmental Management

Bachelor of Spatial Planning Honour's with Specialisation in Human Settlement

Diploma in Public Administration

Advanced Diploma in Financial Management

Diploma in Metropolitan and Traffic Policing

Higher Certificate in Project Management

b). Internship

As part of eradicating youth unemployment, Elundini Local Municipality has internships that targets unemployed youth who have completed tertiary qualifications and those who are in need experiential learning in order to satisfy the requirements of their qualifications. As a result, the Municipality through the Skills Development Section has appointed eight (8) unemployed graduates for internship and (2) two Work Integrated Learners.

The table below depicts the number and types of training that both councillors and employees benefited on during the year under review:

Table 43: Skills Matrix

SKILLS MATRIX 2023/2024 FINANCIAL YEAR														
Management level	Gender	Employees in post as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2024											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of 2023	Actual: End of 2024	2024Target	Actual: End of 2023	Actual: End of 2024	2024 Target	Actual: End of 2023	Actual: End of 2024	2024 Target	Actual: End of 2023	Actual: End of 2024
MM and s57	Female	2	0	0	0	0	0	0	0	0	0	0	0	0
	Male	1	0	0	0	0	0	0	1	1	1	0	0	1
Councillors	Female	20	0	0	0	0	20	20	3	2	0	0	25	25
	Male	15	0	0	0	0	15	15	2	0	0	0	20	22
Managers	Female	8	0	0	0	8	2	4	0	0	8	0	22	22
	Male	9	0	0	0	3	3	10	2	0	10	5	3	10
Senior Officials	Female	62	0	0	0	22	27	49	1	1	2	23	28	28
	Male	38	0	0	0	12	17	29	1	1	0	18	18	18
Technicians and associate professionals*	Female	0	0	0	0	0	6	6	0	0	0	0	6	6
	Male	0	0	0	0	0	7	7	0	0	0	0	7	7
Professionals	Female	0	0	0	0	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making & Unskilled and defined decision making	Female	70	0	0	0	0	70	70	0	0	0	0	70	70
	Male	96	0	0	0	0	57	57	0	0	0	0	57	57
Sub total	Female	167	0	0	0	24	100	129	4	3	12	25	101	102
	Male	160	0	0	0	15	104	121	3	2	11	23	105	121
Total		321	0	0	0	39	204	250	5	5	23	48	206	266
*Registered with professional Associate Body e.g. CA (SA)														T 4.5.1

4.3.2 Managing the Workforce Expenditure

The remuneration of all ELM workforce for the year under review was determined in line with the TASK Job Evaluation grades and salary schedules, as well as the regulated remuneration for senior managers and councillor

CHAPTER FIVE – FINANCIAL PERFORMANCE

5.1 Financial Services

The financial services department has four (4) functions, viz. Budget Planning, Monitoring and Reporting; Income and Expenditure; Supply Chain Management and Assets Management. The overall objective of the department is to ensure that the municipality remains financial viable.

5.1.1 Budget Planning, Monitoring and Reporting

5.1.1.1 *Municipal Budgets and Reports*

Municipal budgets are tabled and approved within stipulated time frames by the Municipal Council, after the approval the budget is implemented. The municipal budget is monitored via the financial management system. A system of virements is used to move funds from one project to another and from one section to another within the same department. The performance against the budget is measured through Section 71, Section 52(d) and Section 72 reports which are prepared and submitted within stipulated time frames.

5.1.2 Income and Expenditure

5.1.2.1 *Free Basic Services and Indigent Support*

The ELM implements an indigent management policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all indigent residents within the area of jurisdiction. The municipality reviews the policy annually, whose basic principles are captured by indicating that the policy ensures that poor households are not denied their constitutional right of access to basic services. These assist any household with a combined income not greater than twice the annual official old age pension. They are therefore eligible to obtain Free Basic Energy or Free Basic Alternative Energy as a result.

For homes that have been officially recognized as destitute, there is free basic solid waste removal as well as a complete property rate subsidy.

The municipality is in charge of FBE (Free Basic Energy) working with ESKOM and FBAE (Free Basic Alternative Energy). FBE in the rural areas is currently covered by a Service Level Agreement (SLA) that is in place with Eskom. The technical data (20 A supply) is the basis for this. In terms of its powers and functions, the Joe Gqabi District Municipality is the Water Services Authority and is therefore responsible for the implementation of all water and sewerage services.

For the year under review, ELM managed to provide free basic services to 4,288 qualifying households. The number of qualified beneficiaries is concerning as the municipality has many indigent households. To prevent those who experience changes in their financial circumstances from having to wait until the end of the fiscal year to receive their legally entitled assistance, our Indigent Register is updated on monthly basis.

The indigent management policy is an integral part of the Elundini Tariff Policy that is developed and implemented transparently to ensure the sustainability of local public services to all of its citizens at an affordable cost. Critically as part of ELM's commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation programme, the indigent support funding envelope has R23.8 million over 2023/2024-2024/2025 –2025/2026 MTREF. The table below indicates the number of households with access to free basic services:

Status Quo of the unit

There are currently two (2) dedicated staff members for the FBS function. Notwithstanding, the unit always source services from casual employees to do deliveries for alternative energy to rural areas. The intention is to achieve a permanent FBS Unit within the next 3 years, budget dependent. In areas that will not be grid-electrified, the municipality has an SLA with Kwakhanya Energy Services which provides solar energy, and the municipality provides alternative energy (GEL).

Challenges Experienced

- Non-availability of FBS dedicated motor vehicle
- ESKOM not configuring the approved indigents that have been forwarded.
- Lack of cooperation from other state departments.
- Delivery logistics
- Insufficient staff within the unit.
- Obscure roads that are inaccessible in other areas.
- SCM turnaround time with regards to procurement of alternative energy.

Budget vs Expenditure: Free Basic Services

Year	Budget	Expenditure	Percentage
2021/2022	R9 000 000	R7 113 746	79%
2022/2023	R8 989 080	R6 727 956	75%

2023/2024	R9 200 000	R8 216 544	80%
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Table 44: Free Basic Services

Free Basic Services to Low-Income Households						
Number of households						
Years	Total	Income threshold is an income of not less than two state pensions per month	Guideline relation to the household income threshold is an income of not less than two state pensions per month			
			Free Basic Electricity		Free Basic Refuse	
			Total	Access	%	Access
2020		5 118	4 965	97	153	3
2021		4 789	4 156	86	633	14
2022		5 914	5 177	87	737	13
2023		5 933	5 049	85	884	15
2024		4 288	3 432	80	856	20

5.1.3 FINANCIAL HEALTH-JUNE 2024

Financial health refers to the overall well-being of a municipality's financial position. It considers various aspects such as the municipality's liquidity, debt levels and cash flow. By evaluating these factors, you can get a comprehensive picture of the municipality's financial strength and stability.

Current Ratio

The ratio is used to assess the municipality's ability to pay back its short-term liabilities with its short-term assets.

The norm range for this ratio is 1.5:1 as determined by National Treasury in MFMA circular 71.

For the period under review the Municipality's ratio is 1.2:1 and it's below the norm range at year end, due to grant funding received during December 2024. Even though the ratio is positive it has been boosted by conditional grants which can only be used for its purpose, this is an indication that the municipality will not be able to service its financial obligations in the near future.

Cost Coverage Ratio

This ratio defines the number of months that the municipality based on current available resources would be able to function without any form of revenue being raised. The norm range is 1-3 months. The outcome is one month at year end and it's within the norm range even though it is on the lowest.

Collection Rate

The ratio indicates the collection rate, i.e., level of payments. It measures increases or decreases in debtors relative to annual revenue collected. The industry norm is 95%. The outcome 93% and it's below the norm at year end.

Net Debtors Days

The ratio reflects the collection period. Net debtor's days refers to the average number of days required for a municipality to receive payment from its consumers for bills/ invoices issued to them for services. The industry norm is 30 days. The outcome at year end is 677 days and it is above the norm of 30 days.

Summary

The municipality does not have revenue base due to poor collection on arrear debt, it is grant dependent and even the grant is unable to meet all the financial obligations of the municipality. The municipality does not have reserves. The ratios above also indicate that the municipality is not financial stable and healthy.

The solution would be to implement the credit control policy fully, appoint the debt collector and also to implement the cost containment policy.

Table 45: Statement of Financial Performance

EC141 Elundini - Table B1 Budget Summary

Description R thousands	2023/24				
	Original Budget	Adjusted Budget	Actual	Original Budget %	Adjusted Budget %
Financial Performance					
Property rates	35 898	31 443	29 509	82%	94%
Service charges	52 125	39 802	50 317	97%	126%
Investment revenue	5 397	5 397	6 267	116%	116%
Transfers recognised - operational	202 177	202 527	202 567	100%	100%
Other own revenue	120 484	141 322	16 790	14%	12%
Total Revenue (excluding capital transfers and contributions)	416 083	420 491	305 450	-	-
Employee costs	154 996	157 204	131 325	85%	84%
Remuneration of councillors	14 939	14 939	13 418	90%	90%
Depreciation & asset impairment	61 220	51 672	0	0%	0%
Finance charges	65	5 688	2 195	3377%	39%
Inventory consumed and bulk purchases	38 133	29 963	27 483	72%	92%
Transfers and subsidies	12 090	7 639	5 307	44%	69%
Other expenditure	134 641	153 387	100 445	75%	65%
Total Expenditure	416 084	420 490	280 173	-	-
Surplus/(Deficit)	(2)	1	25277		
Transfers and subsidies - capital (monetary allocations)	69 102	75 493	56 128	81%	74%
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	69 100	75 494	81 405	118%	108%
Share of surplus/ (deficit) of associate	-	-	-	-	-
Surplus/ (Deficit) for the year	69 100	75 494	81 405	118%	108%

DRAFT ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

<u>Capital expenditure & funds sources</u>					
Capital expenditure	133 614	135 070	84 006	63%	62%
Transfers recognised - Capital	69 102	75 493	56 128	81%	74%
Borrowing	30 000	30 000	5 139	17%	17%
Internally generated funds	34 512	29 577	22 739	66%	77%
Total sources of capital funds	133 614	135 070	84 006	63%	62%
<u>Financial position</u>					
Total current assets	221 085	157 244	116 320	53%	74%
Total non current assets	79 049	639 679	684 622	866%	107%
Total current liabilities	85 582	103 871	90 116	105%	87%
Total non current liabilities	30 000	47 124	49 495	165%	105%
Community wealth/Equity	135 401	637 026	116 320	86%	18%

Grant Performance

R' 000

Description R thousands	Budget Year 2023/24				
	Original Budget	Adjusted Budget	YearTD actual	Original Budget variance %	Adjusted Budget variance %
RECEIPTS:					
Operating Transfers and Grants National Government:	196 427	196 777	196 777	100%	100.0%
Expanded Public Works Programme	1 580	1 930	1 930	122%	100.0%
Financial Management Grant	1 700	1 700	1 700	100%	100.0%
MIG Operational	2 702	2 702	2 702	100%	100.0%
Equitable Share	190 445	190 445	190 445	100%	100.0%
Provincial Government:					
Dedea-Cleansing grant	5 000	5 000	4 380	88%	88%
Libraries Grant	750	750	750	100%	100%
District Municipality:	-	-	-		
Other grant providers:	-	-	-		
Total Operating Transfers and Grants	202 177	202 527	201 907	100%	100%
Capital Transfers and Grants National Government:				97%	100%
Municipal Infrastructure Grant	69 102	66 802	66 802	97%	100%
	51 343	51 343	51 343	100%	100%

Integrated National Electrification Grant	17 759	15 459	15 459	87%	100%
Disaster Grant		12 306	952	#DIV/0!	8%
Total Capital Transfers and Grants	69 102	79 108	67 754	98%	86%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	271 279	281 635	269 661	99%	96%

Variations are calculated by dividing the difference between actual and original/adjusted budget by the actual. Full list of provincial and national grants available from published gazettes.

T 5.2.1

“Capital Expenditure:

R' 000

CAPITAL EXPENDITURE

Capital Expenditure - Functional Classification	Original Budget	Adjusted Budget	Actual	Original Budget variance %.	Adjusted Budget variance %
Governance and administration	3 050	4 182	4 531	149%	108%
Executive and council	250	832	151	60%	18%
Finance and administration	2 800	3 350	4 380	156%	131%
Community and public safety	12 400	2 933	2 221	18%	76%
Community and social services	4 900	1 047	907	19%	87%
Sport and recreation	4 000	571	–	#VALUE!	#VALUE!
Public safety	3 500	1 315	1 314	38%	100%
Economic and environmental services	61 105	74 796	54 588	89%	73%
Planning and development	1 150	1 650	–	#VALUE!	#VALUE!
Road transport	59 955	73 146	54 588	91%	75%
Trading services	57 059	53 159	23 136	41%	44%
Energy sources	54 059	51 659	23 136	43%	45%
Waste management	3 000	1 500	–	#VALUE!	#VALUE!
Total Capital Expenditure - Functional Classification	133 614	135 070	84 476	63%	63%

Description	Budget Year 2023/24				
	Original Budget	Adjusted Budget	YearTD actual	Original Budget variance %.	Adjusted Budget variance %
Revenue					
Exchange Revenue					
Service charges - Electricity	48 169	32 778	32 450	67%	99%
Service charges - Waste management	3 967	1 027	6 433	162%	626%

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Sale of Goods and Rendering of Services	1 774	1 774	573	32%	32%
Agency services	624	624	–	#VALUE!	#VALUE!
Interest earned from Receivables	1 941	1 941	–	#VALUE!	#VALUE!
Interest from Current and Non Current Assets	5 397	5 397	6 267	116%	116%
Rental from Fixed Assets	2 363	2 363	2 289	97%	97%
Licence and permits	2 658	2 658	3 606	136%	136%
Operational Revenue	109 644	130 481	8 935	8%	7%
Non-Exchange Revenue					
Property rates	35 888	31 443	27 326	76%	87%
Fines, penalties and forfeits	379	379	1 640	433%	433%
Transfers and subsidies - Operational	202 177	202 527	266 085	132%	131%
Interest	–	–	11 200	#VALUE!	#VALUE!
Gains on disposal of Assets	1 101	1 101	76	7%	7%
Total Revenue (excluding capital transfers and contributions)	416,083	420,491	366 880		
Expenditure By Type					
Employee related costs	154996	157204	135 427	87%	86%
Remuneration of councillors	14939	14939	13 418	90%	90%
Bulk purchases - electricity	36723	28761	32 029	87%	111%
Inventory consumed	1410	1202	659	47%	55%
Debt impairment	6655	–	24 323	365%	#VALUE!
Depreciation and amortisation	54564	51672	35 962	66%	70%
Interest	65	2688	6 676	10271%	248%
Contracted services	79320	65066	60 927	77%	94%
Transfers and subsidies	12090	7639	5 496	45%	72%
Irrecoverable debts written off	–	19001	–	#VALUE!	0%
Operational costs	55321	69319	51 858	94%	75%
Total Expenditure	416,084	420,490	366 775		
Surplus/(Deficit)		1	105		

5.1.3 Supply Chain Management

Local Government: Municipal Finance Management Act requires the municipality must have and implement a Supply Chain Management Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with ‘Supply Chain Management’. Elundini SCM Policy has been adopted in line with Municipal Finance Management Act, Section 111 & 112, Supply chain management policy. It is important to note that in terms of the Municipal Finance Management Regulation 3, our reviewed policy was adopted by the council on the 31 May 2023 under resolution CONA/078/23, In December 2023 National Treasury introduced new Government Gazette No. 4198 local government: municipal

finance management act, 2003 - amendments to regulations regarding supply chain management therefore by 27 March 2023 the policy was reviewed again under resolution CONA/052/24.

The SCM Policy integrates with the Transport and Catering policy, Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM), Contract Management Policy and Construction Procurement Strategy which is aiming at developing and mentoring emerging enterprises. The role of the Council of a Municipality in maintaining oversight on implementation of its supply chain management policy is included in this policy and the Accounting Officer pursuant to Regulation 6 of the MFMA, prepares and submit a draft a supply chain management report complying with regulation 2 (a) & (3) to the council of the municipality for noting and adoption. The purpose of this report is to provide an overview of the SCM process in terms of Council's Supply Chain Management Policy (as amended), Section 9.3.1 of said Policy states that the Accounting Officer must, within 30 days of the end of each financial year, submit a report on the implementation of the policy to the Council. SCM is guided by the following legislative framework: -

- The Constitution of the Republic of South Africa (No. 108 of 1996), Section 217
- Local Government: Municipal Finance Management Act (No. 56 of 2003) (MFMA)
- Municipal Systems Act (Act 32 of 2000), Section 21A (MSA)
- Municipal Supply Chain Management Regulations (Government Gazette 27636 dated 30 May 2005) (SCM Regulations). Elundini Municipality Supply Chain Management Policy (SCM Policy.
- Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act Number 5 of 2000 (PPPFA).

Elundini officials and other role players in the supply chain management system of the municipality must implement the SCM Policy in a way that gives effect to Section 217 of the Constitution, which requires processes to be fair, equitable, transparent, competitive and cost effective. Council's mandate is to maintain oversight over the implementation of the SCM Policy and for the purposes of such oversight the Accounting Officer must within 30 days of the end of each financial year, submit a report on the Implementation of the Supply Chain Management Policy of the Elundini Municipality, to the Council.

The report will reference the following sub sections:

- Establishment of SCM Section
- Demand & Acquisition Management
- Contract Management and Vendor Performance

5.1.3.1 Establishment Of SCM Section

The unit has been established to implement Supply Chain Management Policy as per regulation 7 (1) of Supply Chain Management Regulation. The unit operates under the direct supervision of the Chief Financial Officer as required by regulation 7 (3) of the Supply Chain Management. The structure of the SCMU has been amended Pending approval for the financial year 2024/2025 in order to address the current shortcomings in the section.

5.1.3.2 Municipal Supply Chain Management Regulations (Government Gazette 27636 dated 30 May 2005)

Elundini Municipality Supply Chain Management Policy (SCM Regulations)

Elundini officials and other role players in the supply chain management system of the municipality must implement the SCM Policy in a way that gives effect to Section 217 of the Constitution, which requires processes to be fair, equitable, transparent, competitive and cost effective. Council's mandate is to maintain oversight over the implementation of the SCM Policy and for the purposes of such oversight the Accounting Officer must within 30 days of the end of each financial year, submit a report on the Implementation of the Supply Chain Management Policy of the Elundini Municipality, to the Council.

The report will reference the following sub sections:

- Establishment off SCM Section
- Demand & Acquisition Management
- Contract Management and Vendor Performance
- Establishment of SCM Section

The unit has been established to implement Supply Chain Management Policy as per regulation 7 (1) of Supply Chain Management Regulation. The unit operates under the direct supervision of the Chief Financial Officer as required by regulation 7 (3) of the Supply Chain Management. The structure of the SCMU was amended and approved in December 2022 and a review has been conducted in order to address the current shortcomings in the section.

5.1.3.3 Challenges

- There has been bottle necks in sitting of the Bid Evaluation Committee and Bid Adjudication Committee, hence there was a lot of back logs of bids that requires consideration back from November 2023.
- Poorly crafted specifications.
- Even though there are set dates for submission of specifications, there are few departments which did not submit the specifications, and the ultimate challenge relates to the entrenched lack of accountability leading to substandard service delivery.
- It is important to note that the user departments are not only responsible for allocation of resources, but cooperation is part of their roles and responsibilities too, so there is lack of cooperation from End user departments.
- Lack of integrated planning. If were to institutionalize the drafting of DMP and submission of specification, some of challenges could have been avoided.

5.1.3.3.1 MIG Challenges.

The Municipality has appointed panel for the Framework Contracts for the Unpaved Roads for a period of three years (3) however this bid was subsequently challenged however the matter was resolved in as much that it caused delays in the implementation of Access Roads.

Underperformance of bidders that were appointed for Paved roads resulted to the municipality utilizing panel of managing contracts, hence all of them have shown substandard quality/poor workmanship on roads constructed by them.

5.1.3.3.2 INEP Challenge

Consultants were appointed, although some of them do not respond on all RFQ's and the municipality is left with one professional engineer for the implementation of INEP. This has been considered when developing 2024/25 Demand Management Plan.

5.1.3.4 Demand & Acquisition Management

The municipality's system of acquisition management must ensure:

- That goods and services are procured in accordance with authorized processes only.
- That expenditure on goods and services is incurred in terms of an approved budget in terms of Section 15 of the MFMA.
- That the threshold values for different procurement processes are complied with.

- That bid documentation, evaluation and adjudication criteria and general conditions of a contract are in accordance with any applicable legislation; and
- That any Treasury guidelines on acquisition management are properly considered.
- A process flow of the demand plan was developed; each department populated Demand Management Plan, which was subsequently signed off by each department.
- To support the process, schedules for convening the committee meetings were developed and circulated to all SCM users. Challenges that brought non-compliance to the Demand Plan were late submissions of specification that resulted to late advertisement / implementation. Most projects are advertised due to non-adherence of bidders to the required specifications and functionality.
- Demand management plan was approved on the 21 July 2022
- Current procurement plan was approved on the 29 June 2023 and 57 projects were registered to be implemented. (Below table illustrates performance in terms of approved DMP)
- 26% on targets achieved, 33% projects with specifications not submitted at SCM.

Department	No of projects registered per department	Number of project specifications submitted to SCM	Number of projects still on process	Number of projects Awarded	Number of projects re-advertised	Number of project specifications not submitted to SCM	Number of projects Cancelled
Infrastructure Planning and Development	20	18	7	5	2	2	4
Corporate Services	7	6	2	5	0	1	0
Community Services	13	1	0	0	1	12	12
Finance Department	9	8	4	4	0	1	0
Planning and economic development	6	4	3	1	0	2	0
MM'S office	2	1	1	0	0	1	0
TOTAL	57	38	17	15	3	19	16

Reason for not achieving targets are as follows: -

- Re- advertisements due to non-responsive bidders

- Non-submission of specifications on time
- Sitting of the bid committees
- Cancellations due to budget constraints.

Goods and service are procured in accordance with authorized processes and approved delegations. Expenditure that has been incurred was budgeted for in the approved budget of Council. The bid documentation that is utilized is in accordance with the guidelines issued by National and Provincial Treasury, the general conditions of contract and applicable legislation such as the Construction Industry Development Board Act (Act 38 of 2000), LGFIPDM and we are continuously improving the documents in order to improve access and ease of use. SCM Unit had designed a procedure manual which is intends to improve governance in the SCM and also to provide guidance to the ELM officials in the procurement of goods and services. The municipality is preparing process flow charts helps to assign responsibility, communicate a process those unfamiliar with it, such as new employees and outside auditors, reducing the time needed to learn the details embedded in the Policy. Elundini Municipality is a small municipality with limited number of suppliers and service providers therefore it was perceived most pertinent to review service charter in order to guarantee reasonable timeframes and turnaround time.

5.1.3.4 Competitive Bidding For Contracts Valued More Than R300,000

The competitive bidding process and bid committee structures are functioning. Composition, mandate, roles and functions of the SCM Committees (Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee) has also been reviewed and officials serving on these committees are formally appointed by the Municipal Manager and are therefore required to complete declaration of interests forms that are signed by the Commissioner of Oath.

- Training of all SCM Bid committee members and other role players is done annually.
- A number of 28 Bids was awarded in 2023-2024
- Contract Management policy is in place was also approved on the 31 May 2023.
- Contract management systems are in place and fully functionalization of Contract Management as a tool for tracking projects could map the municipality to its success.

A template for assessing service provider and contractors in their performance has been formulated & utilized, this assist the municipality in continuous improvement of the service provider as the feedback for services rendered is given back to them so that they can improve in the arrears of their weaknesses.

SCM Regulation 36 - Deviations

Section 36 of Council’s Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement processes.

The expenditure incurred through deviation from normal supply chain management processes amounted to **R33,448,321.82**. The table below depicts expenditure incurred through deviation.

Table 46: Deviation Expenditure

DEPARTMENT	AMOUNT SPENT ON DEVIATIONS
Municipal Manager	R 117,702.38
Budget and Treasury	R 279,579.95
Infrastructure Planning	R31,616,956.27
Corporate Services	R1,129,024.76
Community Services	R 292,209.46
Strategic Planning	12,849.00
DEPARTMENT TOTALS	R33,448,321.82

This table depicts Section 36 (a) (i-v) and amounts incurred.

Table 47: Section 36 Compliance

Section 36 (1) (a) (i)	
Section 36 (1) (a) (ii)	
Section 36 (1) (a) (iii)	R6,000.00
Section 36 (1) (a) (iv)	
Section 36 (1) (a) (v)	R 33,442,321.82
Section 36 (1) (b)	
TOTAL	R33,448,321.82

(2022-2023: 15 370 694,80) (2023-2024 :R33,448,321.82) Deviations were increased by R 18 077 627.02 during 2023-2024 Financial Year. The increase in number of deviations is caused by the appointment of infrastructure projects through deviation process, wherein the municipality was compelled to utilize funding on MIG however due to judicial review process it was impractical to follow SCM processes, same applies with the electricity vending services. The bulk of the deviations may be addressed via competitive bidding processes, proper planning and this office are continuing to assist user departments with the sourcing of specifications in order to attempt to reduce the occurrence or re-

occurrence of some deviations. A multi-year plan for operational activities can assist in the reduction of deviations, in essence, apart from having Demand Management Plan, SCM will attempt to develop a plan for all other items budgeted for each and every financial year regardless of the value.

5.1.3.5 Compliance with MFMA AND SCM POLICY

The municipality by all means necessary including strengthening of internal controls is trying to eliminate irregular expenditure

Table 48: Irregular Expenditure Comparison Between 2022 & 2023 Financial Year

Irregular expenditure consists of the following:		2024	2023
Opening Balance		0.00	118,558
Irregular expenditure incurred		-	-
Written off by Council		0.00	118,558
To be recovered		-	-
Closing Balance (Irregular expenditure awaiting council consideration)		0	0
Details of irregular expenditure incurred		2024	2023
SCM Processes not followed		0	0
Deviations not in line with SCM Regulation 36		0	0
Incorrect calculations of Preferential Points during evaluation		0	0
Breach of Regulation 29 , where there was less than 4 Senior Managers sitting in the BAC		0	0
Making use of non compliant service providers		0	0
Policy not followed when appointing an employee : Ms S Batyi		0	0
Variation order not in line with SCM Policy		0	0
Overpayment of exit benefit to Senior Manager		0	0
Excess payment on approved total remuneration package of senior managers		0	0
Councillor acted without authority in contract entered with supplier		0	0
TOTAL		0	0
Number of incidents		2024	2023
SCM Processes not followed		0	0
Deviations not in line with SCM Regulation 36		0	0
Incorrect claculations of Preferential Points during evaluation		0	0
Breach of Regulation 29 , where there was less than 4 Senior Managers sitting in the BAC		0	0
Making use of non compliant service providers		0	0
Variation Order not meeting SCM Policy requirements		0	0
Policy not followed when appointing an employee : Ms S Batyi		0	0
Overpayment of exit benefit to Senior Manager		0	0
Excess payment on approved total remuneration package of senior managers		0	0
Councillor acted without authority in contract entered with supplier		0	0
Total		0	0

CHAPTER SIX : Auditor General Audit Findings

6.1 Audit Report 2023/24

6.2 AUDIT ACTION PLAN

Appendix A – Councillors; Ward and/ Or Party Represented and Council Attendance

The Council had 09 scheduled meetings, including both ordinary and special council meetings. The table below depicts the attendance of councillors to the council meetings:

COUNCIL MEMBERS	FULL TIME/ PART-TIME	WARD/ ORGANISATION	No of Council meetings attended	No of apologies for non-attendance	% Council meetings attendance
Mamello Leteba	FT	African National Congress	09	00	100%
Victoria Vangiwe Hokwana	FT	African National Congress	09	00	100%
Bandile Nicholas Nqodi	PT	African National Congress	08	01	89%
Thozama Victoria May	PT	African National Congress	07	02	78%
Simphiwe Mdoda	PT	African National Congress	08	01	89%
Mthobeli Siphamla	PT	African National Congress	09	00	100%
Patuoé Lephafa	PT	Economic Freedom Fighters	09	00	100%
Moleboheng Telile	PT	African National Congress	09	00	100%
Zandisile Mampintsha	PT	African National Congress	09	00	100%
Mabaca Victor Thokozwayo	PT	Ward 1	08	01	89%
Phumza Cawe	PT	Ward 2	09	00	100%
Nomalungisa Ngcuka	PT	Ward 3	09	00	100%
Kgotsofaditse Abednigo	PT	Ward 4	08	01	89%
Mgijima					
Them bani Mfono	PT	Ward 5	06	03	67%
Nokhanyo Tyumbu	PT	Ward 6	08	01	89%
Tukiso Lephaila	PT	Ward 7	07	02	78%
Mpoleng Agnes Mdleleni	PT	Ward 8	08	01	89%
Nolwazi Mditshane	PT	Ward 9	09	00	100%
Sbusiso Sibanda	PT	Ward 10	08	01	89%
Amanda Ncusana	PT	Ward 11	09	00	100%
Lipuo Constance Marrant	PT	Ward 12	09	00	100%
Lennox Sipiwo	PT	Ward 13	07	02	78%
Ndumndum					
Akhona Siphambo	PT	Ward 14	09	00	100%
Lebohang Christopher	PT	Ward 15	09	00	100%

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Booka					
Asithandile Mzekelo Masiso	PT	Ward 16	07	02	78%
Ntlokoma Dan Jubilee	PT	Ward 17	05	04	56%
Mfono					
Fundiswa Sonti-Maqanda	PT	African National Congress	07	02	78%
Veronica Norman	PT	African National Congress	09	00	100%
Lonwabo Magqashela	PT	African National Congress	07	02	78%
Anele P. Mayisha	PT	Democratic Alliance	09	00	100%
Lunga Botomani	PT	ATM	08	01	89%
Rethabile Moleleki	PT	SARKO	08	01	89%
Themba Tsoaeli	PT	Economic Freedom Fighters	08	01	89%
Akhona Witness Masondo	PT	United Democratic Movement	07	02	78%
Chief Siyamthanda	PT	Traditional Council	03	06	33%
Mabandla					
Chief Thozama Zibi	PT	Traditional Council	05	04	56%

Appendix B – Committees and Committee Purposes

Below is the list of both Section 79 and 80 Committees that ELM had during the year under review:

Committees (other than Mayoral / Executive Committee) and Purposes of Committees		
Type of Committee	Municipal Committees	Purpose of Committee
Section 80	Community Services Portfolio committee	The purpose is to provide the EXCO and Council with reports on all Community Services functions
Section 80	Financial Services Portfolio Committee	The purpose is to provide the EXCO and Council with reports on all Financial Services functions
Section 80	Infrastructure Planning and Development Portfolio Committee	The purpose is to provide the EXCO and Council with reports on all Infrastructure Planning and Development functions
Section 80	Strategic Planning and Economic Development Portfolio Committee	The purpose is to provide the EXCO and Council with reports on all Strategic Planning and Economic Development functions
Section 80	Strategic Governance Committee	The purpose is to ensure that ELM is operating in a transparent and accountable way and to also ensure that it is a suitable organisation which is clear of its contribution to its local people.
Section 79	Municipal Public Accounts Committee	The purpose is to exercise oversight over executive functionaries of Council and ensure good governance in ELM.
Section 79	Members' Interests and Ethics Committee	The purpose is to establish and promote ethical conduct standards for municipal officials and members of the Council. To outline certain roles of conduct so that they carry out duties, powers and function impartially and in dignity
Section 79	Rules Committee	The purpose of this committee is to develop, formulate and adopt policy concerning the exclusive business of the Council including its proceedings, procedures, rules and orders, also to monitor and oversee the implementation of policy on all matters mentioned above.
Section 79	Budget Steering Committee	The purpose of this committee is to provide technical assistance to the Mayor in discharging his or her duties as provided for in the Municipal Finance Management Act No

		56 of 2003.
Section 79	Audit Committee	The purpose of this committee is to advise municipal council and the accounting officer on issues of sound financial controls, audit, risk management, performance management and good corporate governance.
Section 79	Women Caucus	The purpose of this committee is to advance interests of women and to ensure that women are also mainstreamed in all governance programmes.
Section 79	Mandate Committee	The purpose of this committee is to provide mandate to representatives serving in the district municipal council on issues of the municipality that need consideration by the district municipal council

Appendix C: Third Tier Administrative Structure

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Infrastructure Planning and Development	Mr. Siqalo Mrengqwa
Corporate Services	Ms Zibele Xuba
Local Economic Development	Ms Ntomboxolo Eddie
Budget and Treasury	Ms B. Mbana-Gantsho
Community Services	Ms Lungiswa Gomana
Strategic Support - Office of the Municipal Manager	Ms Nonkuselo Sokutu

Appendix D– Functions of ELM

Below is the list of functions performed by the ELM as defined in terms both Schedule 4 Part B and Schedule 5 Part B of the powers and functions in terms of the Local Government: Municipal Structures Act as amended:

FUNCTION	JGDM	ELM
SCHEDULE 4 PART B		
Air pollution	X	
Building regulations		X
Child care facilities		X
Electricity reticulation	X	X
Fire fighting	X as per regulation	X
Local tourism	X as per White Paper	X
Municipal airports		X
Municipal planning	X	X
Municipal Health Services	X	
Municipal Public Transport		X
Pontoons and Ferries		
Storm water		X
Trading regulations		X
Water (potable)	X	
Sanitation	X	
SCHEDULE 5 PART B		
Beaches and amusement facilities		
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria and funeral parlours		X
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		

Facilities for the accommodation, care and burial of animals		X
Fencing and fences		X
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public		X
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X
ADDITIONAL AGENCY FUNCTIONS PERFORMED		
Licensing of vehicles		X
Primary Health Care	X	
Road maintenance	X	X

Appendix E – Functionality of Ward Committees

Functionality of Ward Committees						
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of Quarterly public ward meetings held during year	
1	Cllr. Tokozwayo	Yes	Committee meets Quarterly. 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held	
	Zukiswa Tofile					
	Nonkonzo Mavis Mdludlu					
	Flenny Zandisile Mateyisi					
	Nomakho Dyani					
	Neliswa Maguga					
	Noaphiwe Sophaqa					
	Siphokazi Mqhamkana					
	Nomthandazo Stella Mzondi					
	Thandumzi Mongameli Sonti					
Mzimasi Matolo						
2	Cllr. P Cawe	Yes	Committee meets Quarterly. 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held	
	Busisiwe Spayidile					
	Thundezwa Pika					
	Eunice Mimi Falitenjwa					
	Eric Fetana					
	Zukile Mbizweni					
	Gcobisa Dastile					
	Lungiswa Dayimani					
	Sinazo Jikwe					
	Bonginkosi Elgin Nogavu					

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3	Cllr. N. Ngcuka	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Ntomboxolo Nowethu Dywili				
	Maboyisi Mbulali				
	Andisiwe Bhoto				
	Bongiwe Cynthia Pula				
	Faith Fiona Hamann				
	Ncebakazi Sithole				
	Mxolisi Gift Tsibanto				
	Thando Mjika				
	Beatrice Noxolo Saka				
4	Cllr. K. A. Mgijima	Yes	Committee meets Qaurterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made.	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Thembelani Nkohla				
	Nopumlani Victoria Dibela				
	Ntombokwenzani Mfundisi				
	Nozipho Mdletye				
	Nodabephi Kapa				
	Ntombizanele Sonkwenye				
	Christina Thozama Mbungu				
	Aubrey Tefo Lequo				
	Shireen Bantom				
5	Cllr. T. Mfono		Committee meets Qaurterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Nozuko Titshala				
	Siyabonga Mhlandleni				
	Luyanda Kerel Nhose				
	Nomvelwano Nozuko Dlokwana				
	Zikhona Ngayi				

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	Odwa Owen Mdlana			the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	
	Anele Nziweni				
	Tandiswa Msutwana				
	Ngeziwe Ntombonina Mbana				
	Siyabonga Nyiba				
6	Cllr. N. Tyumbu	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Sithembile Nunu				
	Mbuyiselo Makhonjwa				
	Simphiwe Dlomo				
	Notozamide Mdzanga				
	Xolile Muizen Slwanyana				
	Valencia Nombuso Mneni-Nyiba				
	Ntombethemba Mbuzeli				
	Nosibusiso Gibeni				
	Kalipa Joy Gana				
7	Cllr. Lephaila	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Thembikhaya Khwaza				
	Kabelo Andries Machaea				
	Octavia Gcwabe				
	Bongiwe Sanezwa Sicwebu				
	Malejoetso Tsolo				
	Christopher Matsoso				
	Katleho Maja				
	Nosamkele Dyunkwana				
	Vuyisa Manyosi				
8	Cllr. Mdleleni	Yes	Committee meets Quarterly . 4	Only Quarterly reports are produced and submitted to both office of the speaker	Due to numerous challenges including public transport system, road infrastructure, poverty and

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	Lefedisa Mpeke		Quarterly meetings were held	and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Ntitseng Anastacia Mohlafuno				
	Moipone Thelma Ralarala				
	Nombuso Malahlisa				
	Mantankiso Khoase				
	Mamolebadi Tedile				
	Nikelwa Gcotyelwa-Lekhetha				
	Mhlangabezi Sibizo				
	Bonga Landule				
9	Cllr. N. Mditshane	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Molebeledi Manganeng				
	Lusanda Alex Ngxongxela				
	Priscilla Nteboheng Lebeta				
	Tiisetso Vincent Khonyane				
	Luvuyo Mabuya				
	Zwelandile Khwezi				
	Ntombedinga Jojo-Delihlazo				
	Vuyokazi Ndzunga				
	Athenkosi Mkaka				
	Ophola Olota				
10	Cllr. S. Sibanda	Yes	Committee	Only Quarterly reports are	Due to numerous challenges

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	<p>Bulelwa Dlaba</p> <p>Mbulelo Admiral Mdletye</p> <p>Mpendulo Mpofana Ngele</p> <p>Yondela Dondolo</p> <p>Cyprian Ntlahla Ndaba</p> <p>Andiswa Mafumana</p> <p>Ralekane Motjotji</p> <p>George Bunene Mfuphi</p> <p>Samuel Keletso Heise</p> <p>Lwandile Mfuneko Dube</p>		<p>meets</p> <p>Quarterly . 4</p> <p>Quarterly</p> <p>meetings were held</p>	<p>produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made</p>	<p>including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held</p>
11	<p>Cllr. A. Ncusana</p> <p>Bukiwe Mpeta</p> <p>Andiswa Magalela</p> <p>Kholeka Ntyinkala</p> <p>Ncomeka Magidi-Gidi</p> <p>Mcgregor Ntyikala</p> <p>Mantho Rametsi</p> <p>Mamello Peteince Qhali</p> <p>Nothobelumzi Lisimi</p> <p>Bithatelo Poni</p>	Yes	<p>Committee meets</p> <p>Quarterly . 4</p> <p>Quarterly</p> <p>meetings were held</p>	<p>Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made</p>	<p>Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held</p>
12	<p>Cllr. Marrand</p> <p>Xoliswa Petronella Lesebane</p> <p>Solomzi Geqeza</p> <p>Nthabeleng Julia Molefe-Lekena</p> <p>Nothembile Jonga</p> <p>Thulani Benjamin</p>	Yes	<p>Committee meets</p> <p>Quarterly . 4</p> <p>Quarterly</p> <p>meetings were held</p>	<p>Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance</p>	<p>Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held</p>

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	Mhlonyane			Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	
	Nkgothatseng Elizabeth Erasmus				
	Sechaba Mokhutshoane				
	Khojane Lebeko				
	Lebohang Semaru				
	Libuseng Matsa				
13	Cllr. L. S. Ndundum	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Dieketseng Victoria Moshoeshe				
	Mamosuwe Boleke				
	Tasi Innocentia Makhetha				
	Lerato Adelina Lebenya				
	Dineo Mokhutsoane				
	Nokhawunti Cynthia Mbungendlu				
	Nokwanda Nzdunga				
	Patuwe Mpheme				
	Takatso Khahleli				
	Nkululeko Rodwell Nkothe				
14	Cllr. A. Siphambo	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Mpatliseng Lephafa				
	Mkhuseli Lekhatha				
	Molokelang Temperance Lehapa				
	Malehlohonolo Khiba				
	Ntswakeleng Manamathela				
	Mabokang Gladys Mabula				

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	Ntombomzi Matubatuba			ward committee and village meetings and recommendations made	
	Emihle Mazwi				
	Ntombethemba Christina Dlaza				
15	Cllr. L. C. Booka	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Neo Tinny Sam				
	Ongezwa Mhlana				
	Zukiswa Cicilia Menyelwa				
	Leboya Piet Sebeka				
	Matumelo Patience Motema				
	Thabiso Mpeke				
	Albertina Ntebaleng Mamba				
	Mampe Telile				
16	Cllr. A. Masiso	Yes	Committee meets Quarterly . 4 Quarterly meetings were held	Only Quarterly reports are produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	Due to numerous challenges including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
	Nompumelelo Macuphe				
	Noluthando Mavis Menemene				
	Mamarena Priscilla Mpetu				
	Collen Tuurman				
	Andiswa Mathole				
	Nonceba Sicangca				
	Zingiwe Mavis Mtembu				
	Yoliswa Bhukhwana				
	Abednigo Kholebona Mhambi				
	Sandile Mangali				
17	Cllr. N. D. J. Mfono	Yes	Committee	Only Quarterly reports are	Due to numerous challenges

Azola Mzanywa		meets Quarterly . 4 Quarterly meetings were held	produced and submitted to both office of the speaker and Strategic Governance Committee. The report to the Speaker gave detail about the convening of the ward committee and village meeting as well as attendance. The report to the Strategic governance Committee gave detail of the issues discussed in the ward committee and village meetings and recommendations made	including public transport system, road infrastructure, poverty and unemployment, community halls etc, the resolved that village quarterly meetings are proper to reach to as many community members as possible. During the year only village meetings were held
Busisiwe Masizana				
Sandiswa Dyani				
Monica Phelekwa Ngqubeka				
Zoleka Nyangweni				
Unathi Willen				
Tembelani Sondzandza				
Fungiswa Budaza				
Bulelwa Faith Sigwela				
Tandeka Sylvia Fihlani				

Appendix F: Long Term Contracts and Public Private Partnerships

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO (2013-2022)							R' 000
Name and Description of Project	Name of Partner(s)	Initiation Date	Expiry date	Project manager	Value 2013/2014	Value 2014-2023	
Elundini Waste Management Sites	Interwaste Environmental Solutions	01/07/2013	30/04/2023	Community Services Manager	R 2, 4m	R 2.4 m - R 7.2 m	

Appendix F1: Capital Project

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
4	Construction of Bethule to Mrhorwana	31 Jan 2023	30 June 2023	6, 319, 813.68
18	Construction of Nkangala Chevy chase Access road	17 Jan 2023	20 June 2023	5, 150, 866.94

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3	Construction of Nqanqarhu Cluster 1 phase 3	15 November 2022	30 June 2023	30, 411, 740.33
14	Construction of Refele sport field	09 Feb 2023	27 October 2023	17, 866, 563. 21

Appendix G - Recommendations of The Municipal Audit Committee

The ELM's Audit and Risk Committee has, during the period under review held eight (8) meetings as per its schedule.

1. 24 November 2023 -ordinary audit committee meeting
2. 23 January 2024 – special audit committee meeting
3. 16 February 2024 - special audit committee meeting
4. 7 & 8 March 2024– In-committee meetings
5. 3 May 2024 – ordinary audit committee meeting
6. 16 July 2024 – ordinary audit committee meeting
7. 08 August 2024 - special audit committee meeting
8. 23 August 2024 - special audit committee meeting

Below were the items discussed and their resolutions:

Recommendation No.	Audit and Risk Committee recommendations during the year under review	Responsible person	Recommendations adopted (Yes or No, if not adopted provide explanation)
1.	Smart meter project funded through a loan has become the standing item for all Audit and Risk Committee ordinary meeting. Internal Auditors was requested to verify all expenditure related to Smart meter projects and report back to Audit and risk Committee. Concerns from Audit and Risk Committee were escalated to an in-committee meeting between Audit and Risk Committee members, Accounting Officer, Mayor and Internal Auditors. Audit Risk Committee recommended to the municipality to stop on incurring any expenditure on Smart meter project beside loan payment.	Mr. J.T. Mdeni – Accounting Officer	Yes
2.	Through the report of the Internal Audit, there were assets that were identified reported as complete but up on physical verification they were not available for use (Vehicle Testing Station and certain public toilets). Audit and Risk Committee recommended that if Vehicle Testing Station was componentised, municipality should transfer pit to work in progress and public toilets to work in progress.	Mrs. B. Mbona-Gantsho – CFO	Yes

Recommendation No.	Audit and Risk Committee recommendations during the year under review	Responsible person	Recommendations adopted (Yes or No, if not adopted provide explanation)
3.	Audit and Risk Committee recommended municipality to set aside a budget during budget adjustment to fix all non-compliance findings that were identified by Department of Transport.	Mr. J.T. Mdeni – Accounting Officer	
4.	Through the report of the Internal Audit on Infrastructure Capital project and grant management, there were findings on Nkangala access road, Refele sport-field and Smart meter project and Audit and Risk Committee recommended that management to do their own analysis and find a way to conduct physical verification of the projects to ascertain the findings raised by Internal Auditors.	Mr. J.T. Mdeni – Accounting Officer	Yes
5.	The Committee noted with concern the report that the externally monitored fraud hotline was not active. Management committed to ensuring that the matter is addressed with urgency.	Mr. J.T. Mdeni – Accounting Officer	
6.	The process of preparation of financial statements revealed serious capacity constraints within the municipal finance function. There were serious capacity constraints relating to accounting and reporting standards and the accounting systems in the finance unit. This is evident on the findings of the AGSA. This challenge should be minimised with the availability of the CFO for the full financial period.	Mr. J.T. Mdeni – Accounting Officer	Yes

**APPENDIX H - OVERSIGHT REPORT ON THE ANNUAL
REPORT OF THE ELUNDINI MUNICIPALITY FOR THE YEAR
ENDED 30 JUNE 2024**

APPENDIX I – MUNICIPAL REGULATIONS ON MINIMUM COMPETENCY LEVELS

Name	Surname	Position (select from scroll button)	Date of Employment (before or on/after Gazette 41996)	1. Higher Education Qualification (New NQF Levels)	2. All Relevant Work-Related Experience (select from scroll button)	3. Performance Agreements and FM & SCM levels (select from scroll button)	4. Financial and Supply Chain Management Competency Areas (Do not complete as this column is automated with column F)	Insert the number of completed Unit Standards, e.g. 3, 5, 10, etc.	Remaining Unit Standards (Do not complete as this column is automated with column J and K)
Jack Thando	Mdeni	Accounting Officer	on/after 26 Oct 2018	NQF Level 8– Post Graduate Degree (min 360 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Lungiswa	Gomana Kutwana	Senior Manager (MSA S56)	on/after 26 Oct 2018	NQF Level 8- Post Graduate Degree (min 360 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Siqalo	Mrenqwa	Senior Manager (MSA S56)	On/after 26 Oct 2018	NQF Level 7- Bachelor Degree (min 360 credits)	5 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Ntomboxolo	Eddie	Senior Manager (MSA S56)	on/after 26 Oct 2018	NQF Level 9 - Master's Degree or higher	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Hlubikazi	Mduzulwana	SCM Manager	before 3 Feb 2017	NQF Level 6 - National Diploma (min 240 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Funeka	Mbaliswana	Middle Manager:	before 3 Feb 2017	NQF Level 6 - National	7 years and more	Performance Agreements	17 Unit Standard	17	0

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Name	Surname	Position (select from scroll button)	Date of Employment (before or on/after Gazette 41996)	1. Higher Education Qualification (New NQF Levels)	2. All Relevant Work-Related Experience (select from scroll button)	3. Performance Agreements and FM & SCM levels (select from scroll button)	4. Financial and Supply Chain Management Competency Areas (Do not complete as this column is automated with column F)	Insert the number of completed Unit Standards, e.g. 3, 5, 10, etc.	Remaining Unit Standards (Do not complete as this column is automated with column J and K)
		Finance		Diploma (min 240 credits)		signed, FM & SCM levels completed	submitted as recommended		
Bukelwa	Dlodlo	Middle Manager: Finance	before 3 Feb 2017	NQF Level 6 - National Diploma (min 240 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Sisa	Mveku	Middle Manager: Finance	Before 3 Feb 2017	NQF Level 6 - National Diploma (min 240 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Thuthula	Sahlulo	SCM Head	before 3 Feb 2017	NQF Level 6 - National Diploma (min 240 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0
Kwanele	Sobekwa	SCM Head	Before 3Feb 2017	NQF Level 6 - National Diploma (min 240 credits)	7 years and more	Performance Agreements signed, FM & SCM levels completed	17 Unit Standard submitted as recommended	17	0

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Clrs Full Names	Shares & Other Fin Interests	Membersh ip Of Cc	Interest In Trusts	Directorship & Partnership	Other Financial Interests	Remuneration Outside Municipality	Independent Contractor Outside Municipality	Subsidies Grants & Sponsorship	Gifts, Gratuities & Hospitality	Interests In Immoveable Property	Interests In Contracts With Organ Of The State	Loans & Other Obligations Owed To Any Person Or Entity	Related Parties Employed In Or Elected To The State Organ	Signed By Commission Of Oaths? Y/N
Tokozwayo, Mabaca Victor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Booka, Lebohlang Christopher	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Tyumbu, Nokanyo	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Moleleki, Rethabile	N/A	N/A	N/A	Director Rethabile Cleaning & Chakatsa Farmers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Cawe, Pumza	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Norman, Veronica	Smalo Trading Enterprise	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Botoman, Lunga	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Ngcuka, Nomalungisa	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	R2500 (Partner)	N/A	N/A	N/A	N/A	Y
Mgijima, Abednigo Kgotsfaditse	N/A	N/A	Lower Tsitsana Comm. Trust	N/A	Border Alliance Taxi Assoc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Lephaila, Tukiso	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Masondo, Akhona	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Sonti, Fundiswa Millicent	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Masiso, Mzekelo	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Ndumndum, Lennox Siphwiwo	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Y
Siphambo, Akhona	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Capitec	N/A	Y

APPENDIX K1: REVENUE COLLECTION BY VOTE

Revenue Collection Performance by Vote R' 000

Vote Description <i>[Insert departmental structure etc]</i>	Ref	2022/23									Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - Executive and Council		148 628	-	-	-	-	-	-	-	-	-	-
Vote 2 - BTO		126 441	634 766	-	-	-	-	(316 425)	(316 425)	318 341	302 943	319 065
Vote 3 - Corporate Services Department		440	-	-	-	-	-	-	-	-	-	-
Vote 4 - Strategic Development Services		31 162	5 868	-	-	-	-	(2 934)	(2 934)	2 934	764	801
Vote 5 - Community Services Department		(191)	22 618	-	-	-	-	(11 309)	(11 309)	11 309	10 261	9 069
Vote 6 - Infrastructure Development		75 378	230 662	-	-	-	-	(118 831)	(118 831)	111 831	153 888	131 176
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	381 859	893 914	-	-	-	-	(449 498)	(449 498)	444 415	467 856	460 112

APPENDIX K2: REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Ref	2022/23									Budget Year 2023/24	Budget Year 2024/25
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	65 496	68 183	-	-	-	-	(34 092)	(34 092)	34 092	35 898	37 657
Service charges - electricity revenue	2	76 283	81 161	-	-	-	-	(40 580)	(40 580)	40 580	48 169	50 529
Service charges - water revenue	2	26 344	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	14 707	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	7 755	7 515	-	-	-	-	(3 757)	(3 757)	3 757	3 957	4 150
Rental of facilities and equipment		1 006	4 489	-	-	-	-	(2 244)	(2 244)	2 244	2 363	2 479
Interest earned - external investments		4 979	10 251	-	-	-	-	(5 125)	(5 125)	5 125	5 397	5 661
Interest earned - outstanding debtors		30 075	3 687	-	-	-	-	(1 843)	(1 843)	1 843	1 941	2 036
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		62	719	-	-	-	-	(360)	(360)	360	379	397
Licences and permits		1 099	5 049	-	-	-	-	(2 525)	(2 525)	2 525	2 658	2 789
Agency services		16 955	1 185	-	-	-	-	(592)	(592)	592	624	654
Transfers and subsidies		153 100	376 040	-	-	-	-	(188 020)	(188 020)	188 020	197 177	205 989
Other revenue	2	7 943	144 313	-	-	-	-	(71 198)	(71 198)	73 115	99 090	76 481
Gains		-	70 468	-	-	-	-	(35 234)	(35 234)	35 234	1 101	1 155
Total Revenue (excluding capital transfers and contributions)		405 803	773 059	-	-	-	-	(385 571)	(385 571)	387 488	398 755	389 978

APPENDIX L: CONDITIONAL GRANTS EXCLUDING MIG

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Disaster Relief Grant	R0	R12,306,000.00	R 952,782.00	0%	8%	
DEDEA	R5,000,000.00	R5,000,000.00	R4,418,388.00	12.00%	12%	
INEP	R 12,994,000.00	R 12,994,000.00	R 579,000.00	4%	4%	
FMG	R1,700,000.00	R1,700,000.00	R 170,000.00	10%	10%	To spend on Finance internship programme, financial systems and Trainings
EPWP	R1,580,000.00	R1,930,000.00	R1,930,000.00	122%	100%	
Total	R16,274,000.00	R12,306,000.00	R3,631,782.00	148%	134%	
<p>* 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.</p>						T L

APPENDIX M1-2: CAPITAL EXPENDITURE

Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year -1	Year 2022-2023			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	41 966	41 966		38 583	51 743	45 633	-
Infrastructure: Road transport - Total	41 966	41 966		38 583	51 743	45 633	-
Roads, Pavements & Bridges							
Storm water	41 966 250	41 966 250	38 466 250	38 582 849	51 742 750	45 633 250	
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							

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>						

APPENDIX N : CAPITAL PROGRAMME BY PROJECT

Capital Programme by Project: Year 0					
Capital Project	Original Budget	Adjustment Budget	Actual	R' 000	
				Variance (Act - Adj) %	Variance (Act - OB) %
Water					
"Project A"	82	85	92	8%	11%
"Project B"	82	85	92	8%	11%
"Project C"	85	90	95	5%	11%
Sanitation/Sewerage					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Electricity					
Khohlong	4,800,000.00	4,800,000.00	3,488,215.82	-38%	-38%
Ulundi	4,500,000.00	4,500,000.00	5,156,329.89	13%	13%
Bhethula	3,300,000.00	3,300,000.00	3,763,351.23	12%	12%
Ulundi	1,800,000.00	1,800,000.00	2,032,555.87	11%	11%
Housing					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Refuse removal					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Stormwater					
Construction of Castle Rocks	5,000,000.00	5,300,000.00	3,336,036.74	-59%	-50%
Construction of Bhethula to Mrhorwana	6,509,043.25	5,909,043.25	6,319,813.68	6%	-3%
Construction of Ntokozweni ECDC	4,428,573.68	4,428,573.68	4,289,522.52	-3%	-3%

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Construction of Nkangala Chevy Chase Access Road	4,602,191.14	5,202,191.14	5,150,866.94	-1%	11%
Construction of Greenfields Street	3,634,090.55	2,134,090.55	1,265,839.05	-69%	-187%
Construction of Ugie Streets	4,845,624.18	3,745,624.18	2,186,026.20	-71%	-122%
Construction of Nqanqarhu Cluster 1 phase 3	7,804,120.79	7,804,120.79	7,503,539.11	-4%	-4%
Construction of Refele Sportsfield	8,641,656.41	8,641,656.41	12,592,231.13	31%	31%
	85	90	95	5%	11%
Economic development					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Sports, Arts & Culture					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Environment					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Health					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
Safety and Security					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
ICT and Other					
"Project A"	82	85	92	8%	11%
"Project B"	85	90	95	5%	11%
<i>T N</i>					

Appendix O : CAPITAL PROJECTS BY WARD

		R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
"Project A"		
"Project B"		
Sanitation/Sewerage		
Electricity		Yes
Khohlong		Yes
Elenge		Yes
Bhethula		Yes
Ulundi		
Housing		
Refuse removal		
Stormwater		
Construction of Castle Rocks	16	No
Construction of Bhethula to Mrhorwana	4	Yes
Construction of Ntokozweni ECDC	2	Yes
Construction of Nkangala Chevy Chase Access Road	16	Yes
Construction of Greenfields Street	17	No
Construction of Ugie Streets	2	Yes
Construction of Nqanqarhu Cluster 1 phase 3	3	Yes
Construction of Refele Sportsfield	8	No

KEY PERFORMANCE INDICATORS IN THE DEVELOPMENT OF THE ANNUAL REPORT

Organisational Transformation and Institutional Development –KPA 1

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;				
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)				
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY				

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	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
4	Percentage of Managers in Technical Services with a professional qualification				
5	Level of PMS effectiveness in the DM – (DM to report)				
6	Level of effectiveness of PMS in the LM – (LM to report)				
7	Percentage of staff that have undergone a skills audit (including competency profiles) within the current 5-year term				
8	Percentage of councillors who attended a skill development training within the current 5-year term				

	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				
10	Percentage of female employees				
11	Percentage of employees that are aged 35 or younger				
12	Adoption and implementation of a HRD including Workplace Skills Plan				

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	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

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1	Percentage of households with access to electricity services					
2	Percentage of indigent households with access to basic electricity services					
3	Percentage of indigent households with access to free alternative energy sources					

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 KMs)	Kms achieved during the FY	Percentage of achievement during the year
1	Percentage of households without access to gravel or graded roads					

2	Percentage of road infrastructure requiring upgrade					
3	Percentage of planned new road infrastructure actually constructed					
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.					

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 f. year under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households with access to refuse removal services					

2	Existence of waste management plan	
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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					
2	Percentage of informal settlements that have been provided with basic services					
3	Existence of an effective indigent policy					
4	Existence of an approved SDF					
5	Existence of Land Use Management System (LUMS)					

CHAPTER: MUNICIPAL LOCAL ECONOMIC DEVELOPMENT FRAMEWORK- (KPA 3)

Annual performance as per key performance indicators in LED

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
1	Existence of LED unit			
2	Percentage of LED Budget spent on LED related activities.			
3	Existence of LED strategy			
4	Number of LED stakeholder forum meetings held			
5	Plans to stimulate second economy			
6	Percentage of SMME that have benefited from a SMME support program			
7	Number of job opportunities created through EPWP			
8	Number of job opportunities created through PPP			

Chapter: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (KPA 4)

Annual performance as per key performance indicators in financial viability

	Indicator name	
1	Status of the audit	

	outcome			
2	Submission of AFS after the end of financial year			
		Target set for Capital Budget (R000)	Achievement level during the year R(000)Amount spent against capital budget (R000)	Percentage spent on capital budget during the year vs the actual revenue
3	Percentage of expenditure of capital budget			
		Operational budget R000 for the year under review	Amount spent on employee related costs & councillor remuneration (expenditure on salaries budget) against operational budget	Achievement percentage during the year
4	Percentage of salary budget as of the total operational budget			
		Target set for the	Achievement level Trade creditors during the	Achievement percentage during the

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		year (own revenue) R (000)	year R (000)	year
5	Total municipal trade creditors			
		Target set (actual total budget) in the year under review	Achievement level (own revenue) in the year under review	Achievement percentage during the year
6	Total municipal own revenue as a percentage of the total actual budget			
		Indicate previous financial year' s municipal debtors	Indicate municipal debtors for the year under review	Achievement percentage (reduction rate)
7	Rate of municipal consumer debtors' reduction			
		Indicate MIG budget for the year under review	Indicate actual expenditure on MIG budget	Achievement percentage

8	Percentage of MIG budget appropriately spent			
9	Municipalities with functional Audit Committee	Appendix G		

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	% of ward committees established			
2	% of ward committees that are functional			
3	Existence of an effective system to monitor CDWs			
4	Existence of an IGR strategy			
5	Effective of IGR structural meetings			
6	Existence of an effective communication strategy			

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No	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the year
7	Number of mayoral imbizos conducted			
8	Existence of a fraud prevention mechanism			

APPENDIX L: ANNUAL FINANCIAL STATEMENTS

