

2024/2025

Contents

DIPALESENG LOCAL MUNICIPALITY

2024/25



ANNUAL PERFORMANCE REPORT

Compiled in terms of section 46 of Municipal System Act of 2000 – amended in 2003.

DRAFT
ANNUAL
REPORT



**DIPALESENG
LOCAL
MUNICIPALITY.**

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Glossary of terms

BBBEE	: Broad Based Black Economic Empowerment
BEE	: Black Economic Empowerment
BSC	: Balanced Scorecard
CLLR	: Councillor
CDW	: Community Development Workers
CFO	: Chief Financial Officer
CIDB	: Construction Industry Development Board
COGTA	: Department of Cooperative Governance and Traditional Affairs
CPF	: Community Policing Forums
CPIX	: Consumer Price Index
CWP	: Community Workers Program
DA	: Democratic Alliance
DBSA	: Development Bank of South Africa
EIA	: Environmental Impact Assessment
EID	: Economic and Infrastructure Development Cluster
EM	: Executive Mayor
EPWP	: Expanded Public Works Programme
ESKOM	: Electricity Supply Commission
FMG	: Financial Management Grant
GAC	: Governance and Administration Cluster
GIS	: Geographical Information Systems
GRAP	: Generally Recognized Accounting
HRD	: Human Resources Development
HRDS	: Human Resources Development Strategy
HSRC	: Human Sciences Research Council
ICT	: Information Communication and Technology
IDP	: Integrated Development Plan
IGR	: Intergovernmental Relations
KPA	: Key Performance Areas
KPI	: Key Performance Indicators
LED	: Local Economic Development
LGMSA	: Local Government Municipal Systems Act
LGTAS	: Local Government Turnaround Strategy
LSM	: Living Standard Measure
MAYCO	: Mayoral Committee
MEC	: Member of the Executive Council
MFMA	: Municipal Finance Management Act
MIG	: Municipal Infrastructure Grant
MIIF	: Municipal Infrastructure Investment Framework
MMC	: Member of the Mayoral Committee
MOU	: Memorandum of Understanding

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

EXECUTIVE MAYOR’S FOREWORD



Cllr N.B. Khanye
Executive Mayor of Dipaleseng Local Municipality

We have come to the end of the 2024/2025 financial year for Dipaleseng Local Municipality, and I am pleased to present this Annual Performance Report for the year under review. This report highlights our successes and challenges in fulfilling our political mandate as guided by the seven development objectives outlined in our Integrated Development Plan (IDP).

One of the key milestones of local government is to ensure accountability and transparency in municipal matters and in terms of the municipality, one of those matters is to table the annual report which is account of progress made in addressing service delivery.

Dipaleseng Local Municipality has made sustained efforts to achieve the objectives set out in the IDP, which include initiatives in stormwater and road infrastructure, sanitation, water supply, electrification, and other critical areas of community development.

The 2024/25 term of Council will strive to improve accelerate the provision of the much-needed municipal service focusing on the five Developmental Local Government key performance areas : Infrastructure and Service Delivery; Institutional Transformation and Development; Local Economic Development and Planning; Financial Viability and Good Governance and Public participation.

The intentions that have been made by the municipality through it Council and its administration have since brought about positive change that has seen into the institution. The municipality has moved out

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of a qualified audit opinion into unqualified audit opinion. The improvement of the audit outcome is an indication of a Municipality that seeks to turn around how things were and usher in a new way of doing things, a better way.

The Municipality is now looking at new and innovative ways of improving revenue so as to ensure availability of funding for the plan that has been adopted through the IDP by Council. The efforts of all those that have taken a conscious decision of taking responsibility for their Municipal and paying their services account, we will continue to encourage communities, to pay for the services they consume, whilst also strengthening our assistance to those who are indigent and needy. The municipality is also concerned by the various government departments and businesses who are owing the municipality huge amounts of monies, and the municipality would be taking drastic steps as part of the recovery of these monies which would then assist the municipality in terms of service delivery.

It is important to acknowledge the Municipality's significant achievements in delivering critical infrastructure projects such as roads, bridges, electrification, and other community development initiatives. These projects remain pivotal to our ability to provide basic services and infrastructure to our residents. Despite facing considerable financial constraints, the Municipality maintained operations and demonstrated resilience in addressing service delivery challenges, which inevitably impacted its performance during the year under review.

Our aim is to also achieve a clean audit, and the current Council strives relentlessly in its goal to ensure the Dipaleseng Local Municipality continuously improving to be the best municipality with our people having access to all basic services.

On behalf of the Dipaleseng Municipal Council and Officials, I hereby present this Draft Annual Report for the Year 2024/25 financial year.

Cllr N.B. Khanye
Executive Mayor of Dipaleseng

COMPONENT B: EXECUTIVE SUMMARY

Chapter 1

1.1. MUNICIPAL MANAGER'S OVERVIEW



Mr. L. Cindi

The Municipal Manager

Dipaleseng municipality is a category B municipality, situated in the Gert Sibande District in Mpumalanga, is one of seven municipalities within the district.

The municipality does not have any entities under its control. Shared powers and functions related to environmental health inspections and water laboratory tests are undertaken by the Gert Sibande District Municipality. Sector Department functions that are being shared with the municipality includes vehicle and license services are being provided by the Department of Community, Safety, Security and Liaison.

In terms of Section 121 of the Local Government: Municipal Finance Management Act No (56 of 2003) (MFMA), which requires the municipality to compile an Annual Report for the year under review which is the 2024/25 financial year. The main purpose of this report is to provide a record of the activities for the 2024/25 financial year, to report on performance against the budget for the financial year reported on, and to promote accountability to the local community for the decisions made throughout the year in improving the lives of the community through service delivery.

The Annual Report comprises six chapters with the following broad overview:

Chapter 1: An overview of the municipality's overarching strategy, accountability processes, social and demographic profile, and key highlights and challenges regarding finance, institutional transformation, and key basic service delivery.

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Chapter 2: Details about the governmental workings of the municipality and addressing the key aspects of good governance.

Chapter 3: Highlights the municipality's performance for the year, with a focus on service delivery and the municipality's predetermined objectives.

Chapter 4: Provides insight into the municipality's human resources and organizational management areas, focusing on organizational structure and legislation.

Chapter 5: An overview of the municipality's financial performance, reflecting on the municipality's financial position, assets, cash flow, and intergovernmental grants received by the municipality.

Chapter 6: An overview of the audit key findings as per the Auditor-General of South Africa. The purpose is to establish a transformed and well-governed municipal environment that remains robust and will continue to stimulate the growth and well-being of the constituents of the Dipaleseng municipal areas.

The 2024/25 financial year was characterised by significant institutional strengthening, governance improvements, and improved administrative coherence. While the municipality continued to confront deep-rooted socio-economic and environmental challenges, the year under review reflects a maturing institution steadily rebuilding public confidence and operational stability. This overview presents both achievements we celebrate and the difficulties that require renew focus and collective resolve.

I am very proud that our administration was able overcome constraints and adjusted our thoughts to improve service delivery and worked together in new ways to keep our town running. Regardless of the pressure to perform with limited resources, the municipality managed to successfully achieve 109 KPIs of the 164 planned KPIs which translates to 66% organizational performance. I am pleased to announce some highlights in the 2024/25 financial year which includes some of the following:

Key highlights of the year include:

1. Strengthening Governance and Institutional Capacity

A major achievement during the year was the successful filling of all Senior Management vacancies, some of which had remained unoccupied for long periods. This has enhanced leadership stability, improved strategic oversight, and contributed to organizational cohesion. Several other critical line management positions were also filled, strengthening departmental performance and operational supervision.

2. Improved Audit Performance and Organizational Maturity

The municipality improved from a qualified audit opinion to unqualified, but importantly, recorded a substantial reduction in audit findings. This process signals improving internal controls, greater

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adherence to statutory prescripts, and a strengthening culture of accountability. Collectively, these advancements point to a more mature and responsive institution.

3. Transition to a Task-Graded Performance-Oriented Structure

The migration from the “Van Der Merwe” to a task-graded, performance-driven organizational structure marks a transformative milestone for the municipality. The new model ensures clarity in role expectations, enhances performance accountability, and supports a result-oriented workforce culture.

4. Effective Utilization of Capital Grant

Capital grants were utilized in accordance with the approved plans and conditions of grant funding. These improvements contributed to key infrastructure improvements and service delivery interventions critical to community well-being and economic activities. Some of the following projects were completed successfully:

- Charles Street (Phase 1)
- Upgrading of Siyathemba Sewer Pump station(Phase 1)

5. Improved Municipal Classification: From Dysfunctional to “High Risk”

One of the most significant accomplishments was the municipality’s removal from the dysfunctional (junk status) classification and its reclassification as a “High Risk” municipality. This milestone reflects improved governance, improved management practices, and deliberate interventions to restore administrative integrity and service delivery capability.

Some of the low points are areas of concerns include:

6. Environmental Non-Compliance and Court Judgement

A significant low point was the court judgement against the municipality for contravening the National Environmental Management Act (NEMA) with an R160m fine due to causing environmental harm dating back as far back as 2016. This incident highlighted persistent weakness in environmental management, monitoring and compliance which are related to the poor state of waste water treatment works and solid waste disposal. The municipality is implementing corrective measures to prevent recurrence and to strengthen environmental governance.

7. Increasing Debtor’s Books Due to Non-Payment

Revenue collection remained extremely low, with a rising debtor’s book driven by both households and businesses. This trend poses a major financial risk, undermines cash flow stability, and threatens the municipality’s capacity to sustain services.

8. Rising Unemployment and Local Economic Decline

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The downsizing of the Sibanye Stillwater Mine and potential closure of the Grootvlei Power station had severe impacts on the local economy, contributing to rising unemployment – particularly among the youth and other vulnerable groups. This economic strain has also intensified social vulnerabilities and further weakened payment levels for municipal services owing to the shrinking and underperforming economic sector.

9. Growing Consumer Dissatisfaction

The combined effect of financial constraints, infrastructure ageing, and operational backlogs has resulted in growing consumer dissatisfaction, especially in communities experiencing intermittent or strained service delivery. The municipality acknowledges these concerns and is working towards service recovery and improved responsiveness. A service delivery war-room has since been established to address these issues as well as increased community engagement meetings.

Conclusion

Despite the challenges of the year, the municipality has made measurable progress in strengthening its governance systems, stabilizing leadership, and improving administrative performance. The transition from a dysfunctional classification to a risk-rated municipality, the stabilization of senior management capacity, and the successful peaceful administration of national and provincial elections are strong indicators that the institution is steadily rebuilding credibility, operational discipline, and public trust.

However, the municipality must continue to confront the pressing issues of low revenue collection, environmental compliance, unemployment, service delivery backlogs, and growing community dissatisfaction. Addressing these challenges will require collective resolve, enhanced accountability, and sustained collaboration with key stakeholders.

As we ended the 2024/25 financial year, it is important to acknowledge and extend heartfelt appreciations to all those who continue to contribute to the municipality's progress:

- All municipal officials and the entire management team, whose dedication, professionalism, and commitment underpin the daily functioning of the municipality;
- Councillors, both those entrusted with the executive authority and those performing crucial oversight responsibilities, for their leadership and stewardship of community interests;
- The MPAC of Council, Internal Audit, and Audit Performance Committee for strengthening accountability, internal controls, and governance integrity;
- The GSDM, Mpumalanga Provincial Government, AGSA, and all Chapter 9 institutions for their continued support, guidance and oversight;
- And most importantly, our communities, who remain at the centre of our mandate, whose patience, participation, and resilience motivate us to work harder and serve better.

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Together, these collective efforts reinforce our commitment to building a more resilient, transparent, and service-delivery orientated municipality – one that delivers tangible improvements to the lives of its residents.

MR. L. CINDI
MUNICIPAL MANAGER

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1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

SITUATIONAL ANALYSIS

Dipaleseng Municipality is composed of the following hubs: Greylingsstad/Nthorwane, Grootvlei and Balfour/Siyathemba where the main Office is situated. The Municipality's main economic focus for turning around the local economy is through Agriculture, mining and tourism (Nature reserve) and agro processing industries.

Community consultation as championed by the Speaker's Office, Cllr. Xolani Shozi and Mayor' Office, Cllr. Busi Khanye is at the heart of good governance in the Municipality to enhance community participation and informed decision making. As a result, the 2024/25 financial year has seen Dipaleseng Municipality expanding its service delivery in terms of infrastructure development through graveling of roads, construction of some of the roads and upgrading of sports field, refurbishment of community halls, and upgrading of high mast lights and spent 100% on MIG.

The Dipaleseng Municipality continued with its mandate to create jobs to its local community through EPWP/CWP projects as outlined in the report. During the IDP/Budget process our community has again given the municipality a mandate to continue to implement projects in line with Government priorities; hence the infrastructure development has again come out as the main priority of the municipality. With all these achievements, the municipality acknowledges joint concerted efforts of its directorates.

1.2.2 A short description of the municipality

Dipaleseng Local Municipality is situated in the south-eastern part of Mpumalanga Province, abutting Gauteng Province in the south-west; approximately 90km east of Johannesburg and 350km south-west of Nelspruit (Capital city of Mpumalanga).

It is one of the (7) local municipalities under the jurisdiction of Gert Sibande District (the other districts being Ehlanzeni and Nkangala) and one of the 18 local municipalities within Mpumalanga. The municipality consists of 03 nodal towns and is structured into 06 wards.

The breakdown of wards details are as follows:

WARD INFORMATION	
WARD	EXTENSION/SECTION
01	The ward consists of various extensions of Siyathemba including central portion of Ext 1, Ext 4 and Ext 5 and more than 300 km ² of rural farm land which is used for commercial farming purposes.
02	The ward consists of the central of Siyathemba, 50% of Ext 2, Ext 3 as well as a small rural areas used for commercial farming purposes. Including a newly established settlement known as Ridge view.
03	The ward consists of the following areas the whole of Balfour Ext 1&2, Greylingsstad and surrounding commercial farming settlements on the East, South and West.
04	The ward consists of portion of Siyathemba central Ext1, 50% of Ext 2, Ext 6, Ext 7 and Lindukuhle settlements
05	The ward consists of Grootvlei/Thabakgwadi Ext 1, 2 & 3 and surrounding commercial farming land.

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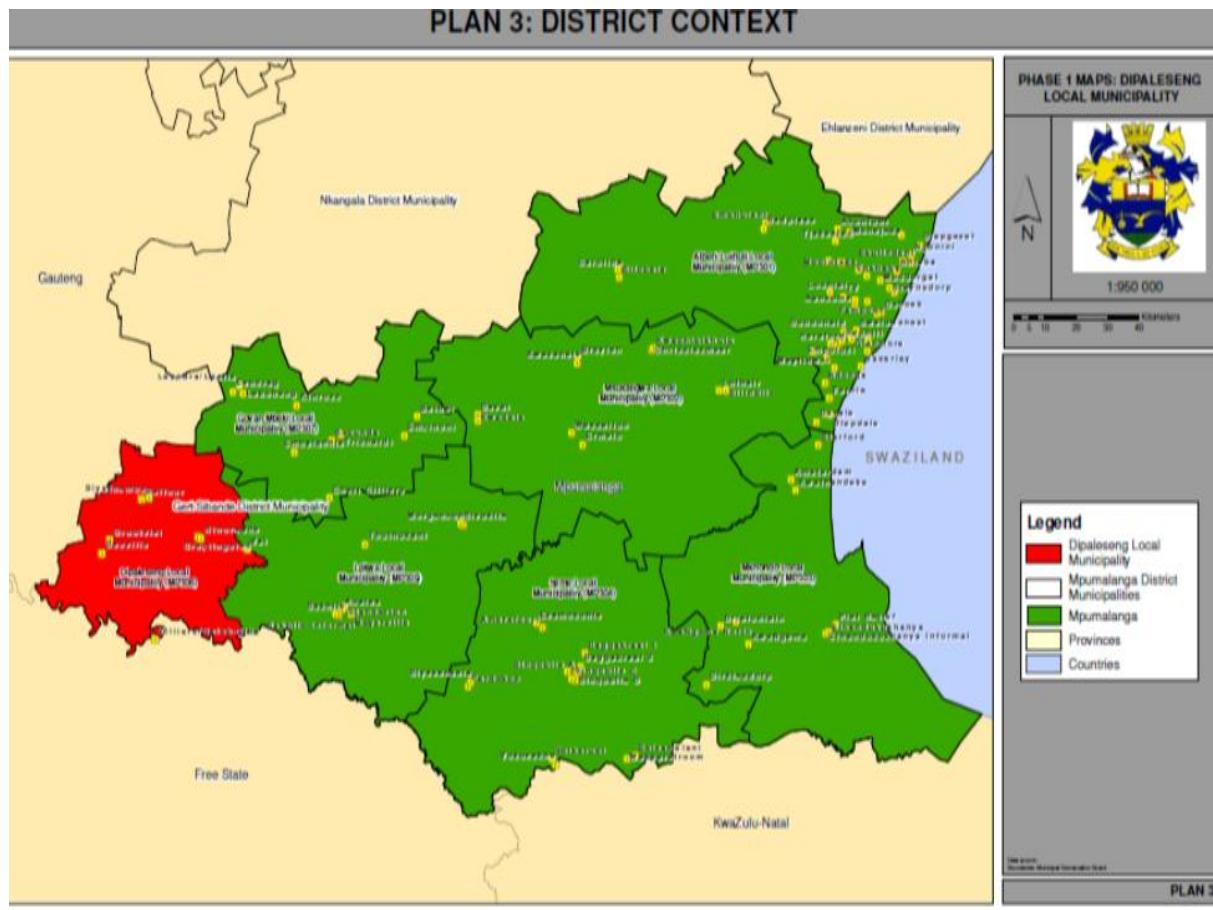
The ward consists of Nthorwane, Zenzele informal settlements and surrounding commercial farming land.

Figure 1: Spatial location of Dipaleseng Local Municipality



Figure 2: Spatial location of Dipaleseng Local Municipality

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Dipaleseng Municipal area is one of the smaller municipal areas in terms of land area, and characterized by contrasts such as varied topography, population densities (low in the south, relatively dense in the north-east), prolific vegetates in the south (timber) and sparse in the north (bushveld). Although resources within the boundaries of the Municipality are scarce, the proximity of natural resources (dams, tourist's attractions, intensive economic activity, and nature reserves) to the borders of the municipality creates the opportunity for Capitalization.

The “gates” to the municipal area are considered to be Balfour West, Greylingstad in the East and Grootvlei in the south. The land area of Dipaleseng Municipality extends over approximately 2618km². The Dipaleseng Municipality incorporates the proclaimed towns of Balfour/Siyathemba, Greylingstad/Nthorwane and Grootvlei, situated in the extreme East and south of the municipal area, there are also surrounding commercial farming communities within the municipal area.

1.2.3 Social Analysis

The socio-economic analysis will focus on the population size, age and gender profiles as well as the educational levels of the population. Information on the Socio-economic status of Dipaleseng Municipality was mainly gathered from census conducted by Community Survey 2016 and STATSSA 2022 as progressively update on interval through community surveys.

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Table 1.1: Population distribution in terms of Gender and Age Group

Population			Households						
Census 2022		Community Survey 2016	Census 2022		Community Survey 2016				
35980		45 232		13129					
Source: Statistic SA 2022 /CS 2016									
T 1.2.2									

Figure 1.2: Population distribution in terms of gender and age group

Table 1: Population

Age	2022/23			2023/24			2024/25		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age:0-4	2400	2790	5190	2400	2790	5190	1511	1583	3094
Age:5-9	2480	2810	5290	2480	2810	5290	1418	1396	2814
Age:10-19	3000	2754	5754	3000	2754	5754	3091	2967	6058
Age:20-29	5240	5916	11156	5240	5916	11156	3063	3164	6227
Age:30-39	3710	4650	8360	3710	4650	8360	3125	3160	6285
Age:40-49	3240	3680	6920	3240	3680	6920	2391	2134	4525
Age:50-59	911	980	1891	911	980	1891	1626	1804	3430
Age:60-69	700	865	1565	700	865	1565	930	1286	2216
Age:70-85	380	456	836	380	456	836	474	858	1332

Table 2: Socio-economic status [IDPM]

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proposition of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
2023/24	83%	32.9%	45%	35%	13.9%	23%
2022/23	35%	27,5	45%	35%	30%	23%
2021/22	35%	27,5	45%	35%	30%	23%
Source: Statistic SA						
T 1.2.4						

Table 3: Neighborhoods [IDP-M]

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Overview of Neighborhoods within “Dipaleseng Local Municipality 2024/25		
Settlement Type	Households	Population
Towns:		
: Balfour	2500	3806
: Grootvlei	1800	6694
: Greylingsstad	950	1631
Sub-Total	5250	12 131
Townships		
Siyathemba	6500	20 100
Nthorwane	2300	7876
Sub-Total	8800	27 976
Rural Settlements		
Sthandiwe	50	2450
Sub-Total	50	2450
Informal Settlements		
Siyathemba	3000	2876
Nthorwane	1500	2795
Phomolong	1000	1200
Sub-Total	5500	6871
Total	13 190	45 232
Sero report: 2016		
		T.1.2.6

Table 4: Natural resources [IDP-M]

Natural Resources 2024/25	
Major Natural Resource	Relevance to Community
Gold and Coal	Socio- economic benefits as per mineral and Resources
Socio-economic Profile 2016	
T.1.2.6	

1.3. SERVICE DELIVERY OVERVIEW [IS]

INTRODUCTION TO SERVICE DELIVERY OVERVIEW

The success of local economic development is tied to the provision of basic and other types of infrastructure services to the people. All services under analysis in this section are located in a specific locality (as per SDF) and have potential to boost socio-economic development (as per LED). Infrastructure analysis focuses on the status quo regarding water supply, provision of sanitation, facilitating and provision of electricity, facilitation of housing

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provision, provision roads and storm water and waste management – all of which underpin socio-economic development and determine the people's quality of life. The provision of adequate municipal infrastructure remains a challenge throughout the district.

Figure 1: Proportion of Households with Access to Basic Services {IS}

Proportion of Households with minimum level of Basic services				
		2022/23	2023/24	2024/25
Water		95%	82%	86%
Sanitation		96%	94%	96%
Electricity		97%	90.4	92%

Comments on access to basic services:

The information indicate an increase from 2023 to 2025.

1.4. FINANCIAL HEALTH OVERVIEW [BTO]

INTRODUCTION ON FINANCIAL HEALTH OVERVIEW

The municipality is one of the smallest municipalities within the region of Gert Sibande and Mpumalanga province with the decline of 1.6 % Population growth; this is also placing additional pressure on our resources. During the year our budget expectations were fully realized. We budgeted for income amounting R399 282 000 and expenditure of R 392356000. The actual Revenue for the period amounts to R368 305 818 and the actual expenditure for the period amounts to R700 323 257. The deficit in the period was due to cash items like depreciation, impairment and impairment of the Consumer Debtors.

In the 2024/25 the municipality obtained an Unqualified Opinion with matters from the Auditor General. It should be mentioned that the Auditor General this year did not focused on financial matters but the scope included themes and performance information.

The municipality implemented financial recovery plan and budget funding plan as measures to improve financial health.

Table 5: Financial Overview [BTO]

	2024/25		
Description	Original Budget	Adjusted Budget	Actual Amounts
Property Rates	R 38 992 000,00	R 38 992 000,00	R 32 021 111,00
Services Charges	R 170 162 000,00	R 154 585 000,00	R 160 206 510,00
Investment Income	R 376 000,00	R 364 000,00	R 240 714,00
Transfer of Grants Recognised	R 110 199 000,00	R 110 199 000,00	R 115 702 677,00
Other Revenue	R 60 166 000,00	R 95 142 000,00	R 60 134 806,00
Expenditure	R 374 008 000,00	R 392 356 000,00	R 700 323 257,00

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Comments

Employee costs constituted 14% of the total operating budget. Depreciation and Assets Management amounted to 33% of the operating budget. Finance Charges & Impairment 7% to total operating costs. The national norm in this regard is 1% of the operational budget. Other charges amounts to 24% of the operating budget. The Municipality is implementing the Financial Recovery Plan and Budget Funding Plan to improve the financial health and reduce the high debt impairment. The aged infrastructure has contributed to high asset impairment cost.

Table 6: Operating ratios 2024/25

Operating Ratios 2024/25	
Detail	%
Employee Cost	14%
Depreciation and Asses	33%
Finance Charges & Impairments	7%
Other Charges	24%
T 1.4.3	

Comment on operating ratios:

Employee costs constituted 18% of the total operating budget. Repairs and maintenance amounted to 7%, which is below the acceptable norm. Finance charges and Finance Charges & Impairment 27% to total operating costs. The national norm in this regard is 1% of the operational budget. The Municipality is implementing the Financial Recovery Plan and Budget Funding Plan to improve the financial health and reduce the high debt impairment. The aged infrastructure has contributed to high asset impairment cost.

Table 7: Total capital expenditure [BTO]

Detail	Total Capital Expenditure: 2024/25		
	2022/23	2023/24	2024/25
Original Budget	38 943 000	36 705 000,00	R 34 410 000,00
Adjustment Budget	38 943 000	36 750 000,00	R 34 410 000,00
Actual	38 943 000	36 750 000,00	R 84 788 834,00

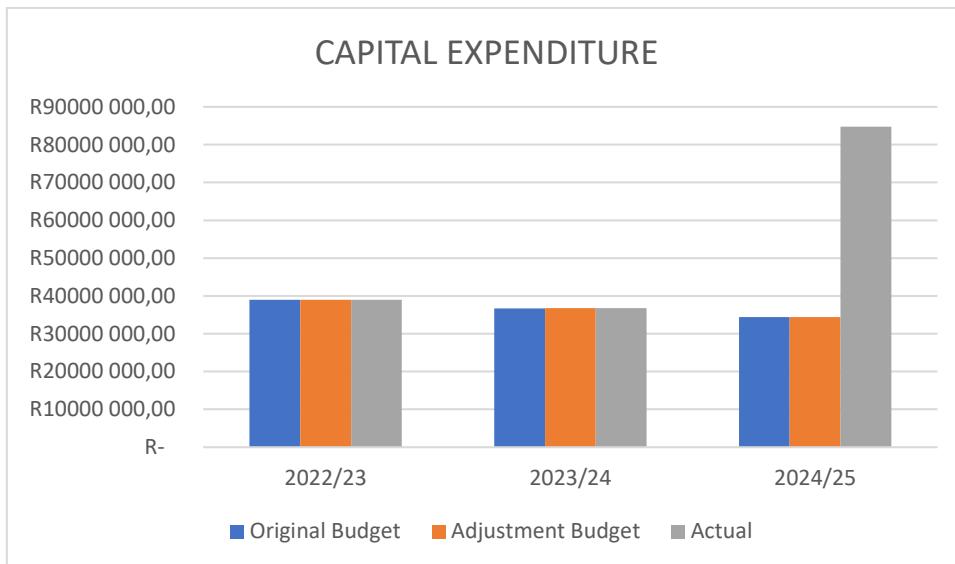
Comments

Municipality received Grants from National Government for MIG, INEP and MDRG for the Year under Review.

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All the allocated Grants were fully spent before 30 June 2025. Four Projects were engaged in the year under review. Namely Charles Street, Dludlu Street and Sewer Pump. The District Municipality is implementing the RBIG Grants on Behalf

Figure 2: Total Capital Expenditure



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1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW [CS]

The Dipaleseng Local Council has reviewed the Organisational Structure and approved as per Council resolution C156/05/23 with the view of complying with the new staff Regulations that was effective as 01 July 2022.

The objectives of the staff regulations its main objectives are as follows:

- Structure their administration in such a manner that they are responsive to the needs of local communities.
- Facilitate a culture of public service and accountability amongst their staff.
- Be performance orientated and focused on the objects of local government and their developmental duties as set out in sections 152 and 153 of the Constitution respectively.
- Ensure that the roles and responsibilities of their political structures, political office bearers, managers and municipal staff members are aligned to the priorities and objectives of municipalities as set out in the integrated development plans (IDPs).
- Establish clear reporting lines and facilitate cooperation, coordination and communication between the political structures and administration.
- Perform their functions through operationally effective and appropriate administrative units and mechanisms, including departments and other functional or business units.
- Assign clear responsibilities for the management and coordination of the administrative units.
- Maximise operational efficiency and effectiveness of communication and decision-making within administration.
- Ensuring that the organisation of municipal administrations conforms to the administrative and financial capacity of municipalities (i.e. financial norms and ratios).

The municipality also submitted the 2023/24 Employment Equity Report to the Department of Labour and further reviewed the 5-Year Employment Equity Plan for implementation. The municipality also implemented the National Treasury Requirements on Minimum Competency Requirements in terms of National Treasury Regulation No. 493 – gazetted on 15 April 2018.

The Senior Managers and Finance officials completed the unit standards leading to the Certificate in Municipal Finance Management qualification (SAQA ID No. 48965) on NQF 6.

1.6. AUDITOR GENERAL REPORT

The municipality received an **Unqualified Audit opinion** for the 2024/25 financial year with findings on financial statements, performance management, internal control deficiencies in supply chain management and other operations.

The municipality has since developed an audit action plan that will address all issues raised by Auditor General.

1.7. STATUTORY ANNUAL REPORT PROCESS

STATUTORY ANNUAL REPORT PROCESS		
NO	Activity	Time Frame
1	Consideration of next financial year's Budget and IDP process plan. Except for the	

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	legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget / IDP implementation period	
2	Implementation and monitoring of approved Budget and IDP commences (In-year Financial reporting).	July
3	Finalize the 4 th quarter Performance Report for previous financial year	
4	Submits draft Annual Report including Annual Financial Statements and Performance Report to Auditor General-- Audit Committee reviews the AFS and APR.	August
5	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
6	Auditor General audits Annual Report including Annual Financial Statements and performance data- Audit Committee reviews the AFS and APR.	
7	Municipalities receive and start to address the Auditor General's findings	November
8	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input.	
9	Receive management letter and provide final comments on findings	November
10	Auditor-General submit Audit opinion. Audit Committee concurs with the AG opinion and recommend the Management and Audit Reports	
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
12	Audit Committee review Annual Report	January
13	Audited Annual Report is made public and representation is invited	
14	Oversight Committee assesses Annual Report	February
15	Council adopts Oversight Report	
16	Council table next financial year Budget / IDP and invite public representation-	March
17	Oversight Report is made public	
18	Oversight Report is submitted to relevant national & provincial stakeholders and Legislature	April
19	Audit Committee review the Draft Budget and IDP Council approve next financial year Budget / IDP-	May
20	Make public approved Budget and IDP	
21	Finalize SDBIP and Performance Agreements for next financial year. Audit Committee review the SDBIP and performance agreements of Section 56.	June
22	Make public SDBIP and Performance Agreements.	July

Comment on the Annual Report Process:

The main features about the planning process undertaken by the Dipaleseng Local Municipality is the involvement of community and stakeholder organisations in the process. Participation of affected and interested

Chapter 1

parties ensures that the IDP addresses the real issues that are experienced by the community members of the municipality. The municipality has established six (6) functional ward committees to further strengthen community engagement with the Municipality.

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CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

The municipal Council has the right to govern, on its own initiatives, the local government affairs of the community, subject to national and provincial legislation, as provided in the Constitution of South Africa 1996

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Dipaleseng Local Municipality (DLM) is a Category B municipality and has an executive mayoral system. The municipality is governed by two distinct but complementary structure namely the Executive Council headed by the Executive Mayor and Administration lead by the Municipal Manager, comprise of five Directorates in terms of section 56 of the municipal systems act.

Following the 2021 municipal elections, Council comprised of 12 elected councillors chaired by the Speaker comprising of six (6) ward Councillors and six (6) proportional representation Councillors. Each of the six (6) ward Councillors chairs a ward committee as part of the Ward Participatory System that brings participation down to community level.

Ward Councillors play a central role in the communication process between the communities they represent. The Council reports back regularly through ward meetings and assists the community to identify needs and priority areas of development which feeds into the municipality's planning processes. The municipality further established the Budget & IDP Representative as well as Steering Committees for purposes of consultation during the strategic planning process, and also has a Local Labour Forum (LLF) for consultation with labour.

Council further has the Rules and Ethics Committee; Geographical and Place Names Committee; Municipal Public Accounts Committee (MPAC) and Audit and Performance Audit Committee well as the Policy and By-Laws Committee established in terms of Section 79 of the Municipal Structures Act of 1998 as. The following Section 80 Committees exists to assist the Mayoral Committee: Budget & Treasury Committee; Corporate Services Committee; Community Services and Public Safety Committee; Planning and Economic Development Committee as well as the Infrastructure Committee. Each of the Section 80 Committees is chaired by a Member of the Mayoral Committee whilst Section 79 Committees are chaired by a member of Council.

The system of governance is underpinned by existing Council Standing Rules of Order as well as a Council Delegation Register to ensure that the relevant stakeholders are enabled to deliver on their respective mandates.

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POLITICAL STRUCTURE



Chairperson of Council

SPEAKER

Cllr: Xolani Shozzi



Responsible for performing
Council's executive functions.

Executive Mayor
Cllr NB Khanye

Chapter 2

MEMBERS OF THE MAYORAL EXECUTIVE COMMITTEE	
 A portrait of a Black man with short, dark hair, wearing a dark blue suit jacket, a light-colored shirt, and a striped tie. A white and gold brooch is pinned to his lapel.	MMC: Infrastructure Services and Planning & Economic Development
Cllr. Mojalefa Miya	
 A portrait of a man with grey hair and a beard, wearing a dark suit jacket, a white shirt, and a patterned tie.	MMC: Corporate Services and Community Services & Public Safety.
Cllr. Ahmed-Nazir Carrim	

Chapter 2

WARD COUNCILLORS:	
 A professional headshot of a Black man with short hair and a beard, wearing a grey suit, white shirt, and patterned tie. He is smiling at the camera.	Ward 1
 A professional headshot of a Black man with a shaved head and a beard, wearing a dark blue suit, white shirt, and patterned tie. A small red ribbon is pinned to his lapel. He is smiling at the camera.	Ward 2

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Ward 3

Cllr. Ahmed-Nazir Carrim



Ward 4

Cllr. Mojalefa Miya



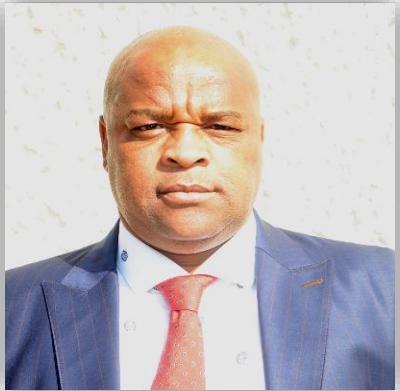
Ward 5

Cllr. Zabilion Radebe

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	Ward 6
<p>PROPORTIONAL COUNCILLORS</p>	
	Cllr. Refiloe Motakane
	Cllr. Lucky Dhladhla

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Cllr. Mafunda Makhubu	Cllr. Anah Nhlapo
	
Cllr. Nomacala Khanye	Cllr. Carel Pienaar

POLITICAL DECISION-TAKING

Council is chaired by the Speaker. Policy decisions and resolution are taken by the Council per recommendation from the Executive Mayor. The Executive Mayor and two mayoral committee members are required to execute council resolutions and to resolve on matters delegated to the Executive Mayor by Council. Reports regarding policy matters and non-delegated administrative matters are prepared by the administration and submitted to the Mayoral Committee together with recommendations from the Municipal Manager. At the Mayoral Committee such reports are considered and recommendations or resolutions formulated by the Executive Mayor from subsequent submission to the Council.

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2.2 ADMINISTRATIVE GOVERNANCE [CS]

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Dipaleseng management team under the Municipal Manager (Accounting Officer in terms of the MFMA and Head of Administration in terms of the Municipal Systems Act) directs the municipal administration, making input into the IDP/Budget as well as develop and implement strategies and plans needed to give effect to the IDP. The functions executed by the Municipal Manager are in terms of the Council approved Delegation Registrar as well as legislation, i.e. the MFMA, Section 55 of the Municipal Systems Act, etc. During 2023/24 financial year the municipality was administered by Mr L. Cindi.

Table 8: Administrative posts top leadership

TOP ADMINISTRATIVE STRUCTURE	
Position	Function
 Municipal Manager: Mr. Lwazi Cindi	<p>Administrative Head & Accounting Officer coordinates the provision of service in accordance legislation applicable in a municipal environment and is responsible for:</p> <ul style="list-style-type: none">▪ Coordinate the provision of community services;▪ Manage technical services;▪ Coordinate municipal planning and economic development;▪ Manage financial matters;▪ Manage corporate services;▪ Render internal audit services;▪ Render risk management services;▪ Manage performance management and development system.

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TOP ADMINISTRATIVE STRUCTURE	
Position	Function
 <p>Chief Financial Officer: Mr. M.H. Thokoane</p>	<p>Budget and Treasury is responsible for:</p> <ul style="list-style-type: none"> ▪ Manage municipal budget and financial reporting; ▪ Render revenue management services; ▪ Manage expenditure services; and ▪ Render supply chain management services
 <p>Director Planning and Economic Development: Ms. C Poulten</p>	<p>Planning and Economic Development is responsible for:</p> <ul style="list-style-type: none"> ▪ Coordinate the development and implementation of integrated development plan; ▪ Render spatial planning and land use management services; ▪ Promote local economic development (LED) services; ▪ Render sustainable and integrated human settlements planning; ▪ Render land and property management services
 <p>Director: Community Services & Public Safety Mr. T Dlamini</p>	<p>Community Services and Public Safety is responsible for:</p> <ul style="list-style-type: none"> ▪ Render traffic and licensing, fire and rescue management and security services; ▪ Render environmental, waste, cemeteries, auxiliary services, parks and recreational facilities; and ▪ Render library and transversal services

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TOP ADMINISTRATIVE STRUCTURE	
Position	Function
	<p>Corporate Services is responsible for:</p> <ul style="list-style-type: none">▪ Render human resource management and development services;▪ Render labour relations services;▪ Render legal services;▪ Render administrative support services;▪ Manage information and communication technology services; and▪ Manage communication services
<p>Director: Corporate Services Mr. P Mokoena</p> 	<p>Infrastructure Services is responsible for:</p> <ul style="list-style-type: none">▪ Render electrical, mechanical and fleet management services;▪ Manage roads and storm water services;▪ Manage the provision of water services;▪ Manage sanitation services;▪ Manage municipal development projects.

Chapter 2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The purpose of intergovernmental relations is to achieve the constitutional mandate for local government by mobilizing resources and strategic partnerships which will ensure co-operation and coordination by all stakeholders (National, Provincial and Local) to ensure service delivery to the residents of the municipality to ensure a better quality life for all.

NATIONAL INTERGOVERNMENTAL STRUCTURES

- ❖ National Treasury – Co-ordinates the development of the Local Government fiscal framework applicable to municipalities within the context of the Division of Revenue Act. It manages the development of the Local Government Equitable Share formula and ensures compliance with the MFMA to modernize local government budgeting and financial management processes and practices. Provides assistances to improve financial governance and to maximize municipal capacity to deliver services through efficiency, effectiveness and sustainability, and by dealing with corruption. They set-up the accountability cycle by ensuring proper alignment between IDPs, Budgets, SDBIPs, In-Year reports, Annual Financial Statements, Annual reports, Oversight reports and Audit reports
- ❖ The Department of Cooperative Governance and Traditional Affairs (COGTA) – Develop various policies, guidelines to enable sustainable development to eradicate poverty and developed a service-orientated culture that requires the active participation of the wider community. Community inputs are essential to improve on integrated development planning and service delivery. Linked to this is the establishment of performance management which is a crucial mechanism to improve living conditions for all citizens.
- ❖ South Africa Local Government Association (SALGA) – Is the national representative body of local government and has a constitutionally defined mandate. It responds to challenges facing organized local government and addresses past weaknesses

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

- ❖ **OFFICE OF THE PREMIER** – Focuses on co-operative and good governance through the provision of advice and information, co-ordination, monitoring and support to local government.
- ❖ **PROVINCIAL TREASURY** - The functions of provincial treasuries are to • promote co-operative government among role-players and assist National Treasury in implementing the MFMA, monitor municipal budgets and outcomes, analysis in-year reports and take intervention measures to assist municipalities which breach the MFMA. Provincial Treasury has established various units to assist and monitor the municipality. These units specialized in revenue enhancement, assets, accounting standards, and in-year reporting. Through the Munimec meeting and Technical Munimec meetings various municipal issues in the province are discussed to formulate solutions and plans to improve governance and service delivery. These meetings were conducted quarterly during the financial year.

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- ❖ **COGHTA MPUMALANGA** – To assist and provide guidance to build clean, effective, efficient, responsive and accountability local government. Strengthen partnerships between local government and communities and ensure municipalities meet its mandate to provide basic services; and
- ❖ **SALGA**- is the official representative of local government; an employer's organization for all municipalities, and sits as the employer in the South African Local Government Bargaining Council.

DISTRICT INTERGOVERNMENTAL STRUCTURES

- ❖ The Gert Sibande District Municipality has a supporting role to play in the planning and coordinating of activities within their boundaries to ensure the provision of services in the district through District Development Model. The District Development Model facilitate for the sitting of all local municipalities, provincial sector and private sectors.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The following is done by the municipality to ensure widespread and conducive stakeholder participation and accountability:

- ❖ Media such as the local newspapers, ward community meetings, national radio stations (Lesedi FM, Ukhoozi FM) municipal bills, local communicator's forum etc., are utilized to inform communities and stakeholders on Council's activities.
- ❖ All messages/information is conveyed in a language/s understood by the general community.
- ❖ The venues and times for public meetings are well communicated. Furthermore, the municipality ensures that meetings are held at such times that all stakeholders can attend.
- ❖ Adequate time is allowed to community, representatives of organizations and business to report to their relevant forums and make inputs.
- ❖ Council meetings are open to the public and residents are invited to attend. Important documents such as IDP, Budget, Valuation roll etc. are available at all public libraries within the municipal area.
- ❖ Ward committee and ward community monthly and quarterly meetings are convened and serve as a platform for interaction, engagement and sharing of information.
- ❖ Various forums' exists on local, district and provincial level.
- ❖ CDWs act as the link between government and the community

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2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS [MMM]

On a regular basis, the municipality engages the community at consultation meetings in an endeavor to provide feedback on progress in relation to the level of development and to gather inputs from communities in relation to service delivery needs and to disseminate information on the roles and responsibilities of the municipality.

The ward committee structures are used to close the gap between the municipality and communities, since ward committees have the knowledge and understanding of the residents and communities they represent. Community Development Workers (CDWs) act as a link between accessing communities in relation to community development initiatives/ programmes.

The IDP forum is constituted by Councillors representatives from business organizations, mining companies, NGOs/ CBOs, government departments, agricultural organizations, parastatal organizations, and stakeholder representatives of unorganized groups. The representatives are given an opportunity to represent community interests and contribute knowledge and ideas, building consensus and support for the planning process itself, and ensuring a broader ownership of the outcomes.

Both the IDP and Multi-year Budget process for the period 2024/25 was open for comment by the public. The documents were available for inspection at all municipal libraries, and the municipal website, www.dipaleseng.gov.za

WARD COMMITTEES

The purpose of the ward committee system is to provide a channel for public participation and general interaction between community and council.

The municipality has an intensive community consultation process that is done at a ward level in line with the community based planning approach. This process stimulates participatory governance by affording community members a fair opportunity to deliberate on issues affecting them in their respective wards. Furthermore, this approach was implemented to inevitably include the local community in decision-making, planning and generally allowing them to play an active part in their own development.

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PUBLIC MEETINGS 2024/25 FINANCIAL YEAR

Table 9: public meetings *

PUBLIC MEETINGS						
Nature and purpose of the meeting	Date of the Events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community Members Attending	Issues addressed (Yes/No)	Dates and manner of feedback given to community
Monthly Ward Committee Meeting	Monthly (Virtually)	12	4	As per attendance register[60]	Yes	Feedback given through quarterly ward meetings
Quarterly Ward Consultation Meeting	Quarterly (Virtually)	12	16	As per attendance register	Yes	Feedback given through quarterly ward meetings
Council Meeting	Quarterly (Virtually)	12	23	As per attendance register	Yes	Feedback given through quarterly ward meetings
IDP & Budget Consultation Meeting						Feedback given through quarterly ward meetings
						T 2.4.3

Comments on the effectiveness of public meetings:

- The Dipaleseng Municipality places more emphasis on public participation to ensure successful engagements with communities, and to ensure that the needs of the communities are responded to and addressed as reflected in the IDP.
- During the year under review, public participation was conducted in all six wards as per the prescripts in terms of Section 16(1) of the Municipal Structures Act, no 32 of 2000 makes a provision for a Municipality to create an opportunity to encourage the local community to participate in municipal matters.

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2.5 IDP PARTICIPATION AND ALIGNMENT

Table 10: IDP participation and alignment criteria

IDP Participation and Alignment Criteria*2024/25	Yes/No
Does the municipality have impact, outcome, and input indicators?	Yes
Does the IDP have priorities, objective, KPI, 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 KPI's in the strategic plan?	Yes
Do the IDP KPI's align to section 56/57 Managers?	Yes
Do the IDP KPI's lead to functional area KPI as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
*Section 26 of Municipal Systems Act 2000	T 2.5.1

Comments

COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE [MM]

The municipality has made great strides in ensuring open, democratic and accountable governance. Working together with all our constituencies, significant advances have been achieved in the realisation of our objective to ensure good governance and sound administration. The establishment of a Municipal Committee on Public Accounts (MPAC), amongst others, bears testimony to this.

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Dipaleseng local municipality recognises risk management as the cornerstones of sound and responsible Municipal governance. Apart from complying with Section 62(1)(c)(i) of the MFMA that requires the Accounting Officer of a Municipality to maintain effective, efficient and transparent system of finance, risk management and internal control.

The municipality has a functional Risk Management Unit headed by the Chief Risk Officer, Who is responsible for overseeing, guiding, facilitating and monitoring various system of governance, risk management, ethics, fraud and corruption within the Municipality.

As mandated by section 62(1) of the MFMA, the Accounting officer has appointed a Risk Management, Anti-Fraud and Anti-Corruption Committee, which is led by an independent external Chairperson. The committee is

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responsible for oversight on the entire system of governance, risk Management, compliance, internal control, ethics, fraud and corruption in the Municipality.

Table: Risk Committee members

Surname and initials	Designation	Gender
Mr. S Mofokeng (Chairperson)	Chairperson	Male
Mr. L Cindi (Member)	MM	Male
Mr. A Thoakane (Member)	CFO	Male
Mr. P Mokoena	Dir: CS	Male
Mr. FN Shabangu (Member)	Dir: IS	Male
Ms. S Paultin (Member)	Dir: PED	Female
Mr. T Dlamini (Member)	Dir: CSPS	Male
Ms. MM Ngwenya	CAE	Female

Key among the responsibilities of the Risk Management Unit is to, develop, monitor and report on the Municipality's risk profile which is informed by the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP), and Council resolutions as key enablers of risk identification and assessment process.

Strategic risks for 2024/25 financial year were identified as follows:

- Unsustainable financial viability and financial performance
- Inadequate provision of sustainable quality basic services (Electricity, Water, Sanitation, Infrastructure and Waste removal)
- Inability to improve the audit opinion
- Inadequate measures in place to improve organizational performance
- Ineffective governance and inadequate public participation
- Slow economic growth and development
- Unintegrated human settlement

The risk universe such as top-ten Country Risk as per the Institute of Risk Management South Africa's Risk report, Auditor General of South Africa and Internal Audit Reports were also taken to account. Risk treatment strategies were developed and implemented by management.

2.7 ANTI-CORRUPTION AND FRAUD

Dipaleseng Local Municipality subscribes to the principles of good corporate governance, which require conducting business in an honest and transparent manner. The Municipality is also committed to fight fraudulent behaviour at all levels within the Municipality. The Dipaleseng Local Municipality has taken a stance that management of unethical behaviour, fraud and corruption risk is the responsibility of everyone in the Municipality.

To improve governance in the Municipality, the Dipaleseng has identified and focused on critical areas that require significant improvement to enhance governance controls in relation to fraud and corruption and the

Chapter 2

integrity of employees and other stakeholders doing business with the Municipality i.e. review of policies and strategies; fraud and corruption risk management; awareness and training; improvement of governance structures; partnerships with other public institutions and conflict of interest management and consequence management mechanisms.

2.8. SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The MFMA recognises supply chain management as a crucial component of municipal financial management. The efficiency and effectiveness of the procurement function has a large impact across a municipality. All related policies and legislative requirements were reviewed and updated accordingly. It is still the intention of the Budget and Treasury office in 2024/25 to further entrench these principles to support the effectiveness of this department. The supply chain management unit consist of accountant, procurement officer and interns. This matters was identified as a high risk area by the office of Auditor General.

The implementation of Supply Chain Management brings about fundamental strength in procurement process of Municipality. The Accounting Officer has appointed bid committees as indicated: Bid Specification, Evaluation and Adjudication Committees legislated in terms of the MFMA to assist in the execution of the supply chain management function. Challenges experienced in SCM will be addressed in the Audit Action Plan, it should however be noted that the non-existence of industries in the Balfour has an impact on the turn-around time for delivery of goods and services as when required.

2.9 BY-LAWS

Table 11: New by-laws

By-laws Introduced during 2024/25				
Newly Developed	Date Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	Date of Publication
None	N/A	N/A	N/A	N/A

Comment on by-laws:

During the year under review there were no new by-laws developed and approved by Council.

2.10 WEBSITES [CS]

Table 12: Municipality website

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Municipal Website: Content and Currency of Material 2024/25		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Y	2024/06/10 2024/09/06
All current budget-related policies	Y	2024/06/28 2024/07/19
		2025/02/05 2025/07/01
The previous annual report (Year -1)	Y	2025/08/13
The annual report (Year 0) published/to be published	Y	2026/02/20
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Y	2024/09/23 2024/11/21 2025/05/09
All service delivery agreements (Year 0)	Y	2024/10/04 2024/09/11
All long-term borrowing contracts (Year 0)	N/A	
All supply chain management contracts above a prescribed value (give value) for Year 0	Y	2024/10/31 2024/04/10
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	Y	2024/08/2024
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
Public-private partnership agreements referred to in section 120 made in Year 0	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Y	2024/06/10
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T 2.10.1

Comment on municipal website content and access:

- During the year under review the website was not fully operational and experienced reasonable down time. This challenge is being addressed by the Corporate Services together with Budget and Treasury departments.
- According to the MFMA S75, the following information must be placed on the website of municipalities:
 - (a) The annual and adjustments budgets and all budget-related documents;
 - (b) all budget-related policies;
 - (c) the annual report;
 - (d) all performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act;
 - (e) all service delivery agreements;
 - (f) all long-term borrowing contracts;
 - (g) all supply chain management contracts above a prescribed value;
 - (h) an information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter;
 - (i) contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section;
 - (j) public-private partnership agreements referred to in section 120;

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- (k) all quarterly reports tabled in the council in terms of section 52(d); and
- (l) Any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed.

- A document referred to in subsection (1) must be placed on the website not later than five days after its tabling in the council or on the date on which it must be made public, whichever occurs first.
- The institution was able to upload legislatively required documentation, relevant as well as additional information on the website, except for non-applicable documents as stated above.

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES [CS]

PUBLIC SATISFACTION LEVELS

No formal satisfaction survey was conducted during the current **2024/25** financial year

Satisfaction Surveys Undertaken during 2024/25				
Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%)*
Overall satisfaction with:	None	None	None	None
(a) Municipality	None	None	None	None
(b) Municipal Service Delivery	None	None	None	None
(c) Mayor	None	None	None	None
Satisfaction with:	None	None	None	None
(a) Refuse Collection	None	None	None	None
(b) Road Maintenance	None	None	None	None
(c) Electricity Supply	None	None	None	None
(d) Water Supply	None	None	None	None
(e) Sanitation	None	None	None	None
(f) Information supplied by municipality to the public	None	None	None	None
(g) Opportunities for consultation on municipal affairs	None	None	None	None
T2.11.2				

Comment on satisfaction levels

During the year under review, community survey was conducted for refuse removal and the outcome was relatively fair.

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2.12 INTERNAL AUDIT FUNCTION

The Internal Audit of the Dipaleseng Local Municipality was established in terms of section 165 of the Municipal Finance Management Act no 56 of 2003, which requires that:

- (1) each municipality and each municipal entity must have an internal audit unit, subject to subsection (3)
- (2) The internal audit unit of a municipality or municipal entity must-
 - (a) Prepare a risk-based audit plan and an internal audit program for each financial year.
 - (b) Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to:
 - (i) Internal audit
 - (ii) Internal controls
 - (iii) Accounting procedures and practices
 - (iv) Risk and risk management
 - (v) Performance management
 - (vi) Loss control: and
 - (vii) Compliance with this Act, the annual Division of Revenue Act and any other applicable legislation and
 - (c) Perform such other duties as may be assigned to it by the Accounting Officer.

In terms of Municipal Finance Management Act circular no 65, internal audit unit is inter alia accountable to the audit committee as follows:

- Develop a flexible annual audit plan using a risk-based methodology, addressing any weaknesses in risks or controls identified.
- Submit the audit plan to the audit committee for review and approval.
- Report on the implementation and results of the annual audit plan including special tasks requested by management and the audit committee.

The internal audit unit has developed a three year rolling plan, charter and methodology, which were approved by the Audit and Performance Committee on the 26th of June 2024. The internal audit unit reported quarterly to Audit and Performance Committee on the progress made in the approved annual plan.

The internal audit unit is in-house and has discharged its mandate in terms of its charter and managed to execute 71% of the projects as per the 2024/25 Annual Plan. Currently the Internal Audit Unit consist of 3 positions as per the approved organizational structure, of which 2 has been filled.

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2.12.1 AUDIT COMMITTEE

The Audit and Performance Committee of Municipality was established in terms of Section 166 of the Municipal Finance Management Act, Act 56 of 2003, in conjunction with section 2(c) of the Local Government municipal planning and performance management regulations. The committee comprises of four (4) members appointed for the period of three (3) years and further extended as indicated in the table 13, below.

Audit and performance committee members specialize in various expertise ranging from Internal Audit and risk, Performance management, Legal, Information Technology and Finance. Members always complied with schedule of meetings and attend meetings.

They performed their duties as stipulated in Section 166 of the MFMA. Over and above that, members assisted the municipality in reviewing quarterly financial and non-financial reports, annual report and Annual financial statements. Their contribution assisted municipality in improving audit opinion to unqualified audit opinion for 2024/25 financial year.

Audit and Performance Committee reported to council on their activities and recommendations as required by the Committee's Charter and section 166 of the MFMA. For the year under review, eleven (11) meetings were held.

Table 13: Audit Committee members

Surname and initials	Gender	Appointment date	1 st Extension	2 nd Extension
Ms. Jane Masite (Chairperson)	Female	01 October 2021	30 August 2024	31 January 2025
Mr. Leon Langalibalele (Member)	Male	01 October 2021	30 August 2024	31 January 2025
Mr. SD. Thwala (Member)	Male	01 October 2021	30 August 2024	31 January 2025
Mr. SD Mofokeng – Chairperson of RMCFACC	Male	01 October 2022	30 August 2024	31 January 2025

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

INTRODUCTION [IS]

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

The provision of basic services to the community determines a person's quality of life, and has a potential to boost socio-economic development. The supply of free basic services to all households remains a challenge for the municipality operating under severe financial constraints. Backlogs have remained high in the delivery of waste management and sanitation as well as water which has been impacted by the current state of existing infrastructure as well as the high number of rural communities and the increasing number of informal settlements. Levels of service delivery provided by the Dipaleseng Local municipality are as follows:

1. Water

Provision and supply of quality basic water, through bulk and internal reticulation network system. Provision of water through water tinkering at high lying areas and by the means of boreholes system.

2. Sanitation

Provision of dignified sanitation and waterborne sewer network.

3. Electricity

Provision, supply and distribution of electricity, in collaboration with medium voltage supply from Eskom

4. Roads

Access of roads includes gravel roads with proper storm water drainage up to high level of service which is a paved/tarred road with storm water system.

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SERVICE DELIVERY PERFORMANCE (PERFORMANCE PART 1)

COMPONENT A: BASIC SERVICES

3.1. WATER PROVISION

WATER PROVISION

Dipaleseng Local Municipality is a Water Service Authority (WSA) and water service provider (WSP) as per Water Act 32 OF 1998, Project implementation access roads, fleet management, electricity supply and dignified sanitation. The Municipality is supplying bulk water from Fortuna Water Treatment Works, Grootvlei water treatment works (Eskom) to all areas in our jurisdiction.

The municipality have refurbished and upgraded the Fortuna water treatment work from 6.5MI/d to 19.5MI to increase on the distribution to meet future demands.

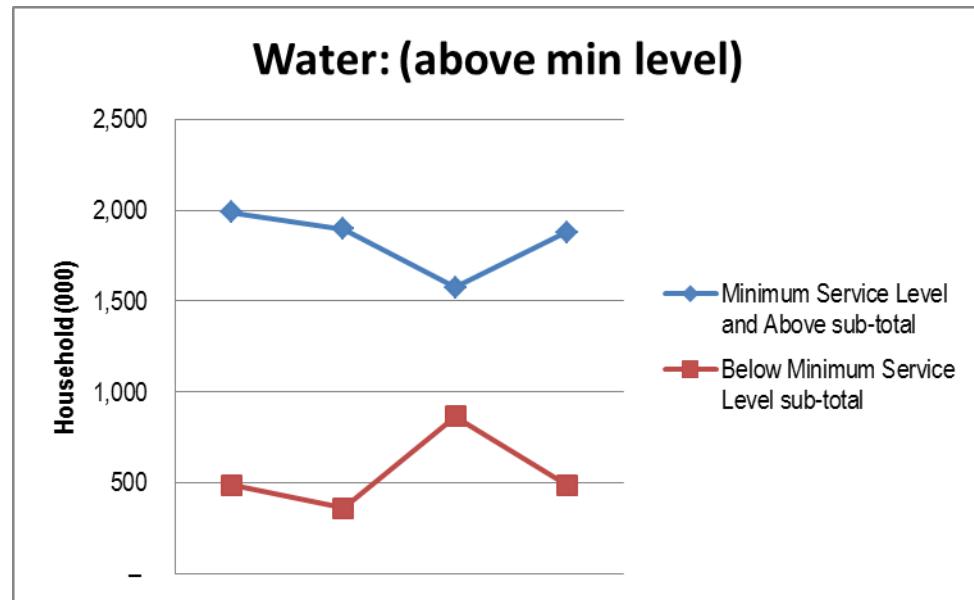
Water analysis were conducted during the year under review to mitigate water contamination risks and environmental pollution.

Table 14: Total Water Use by Sector [IS]

Total Use of Water by Sector (MI/d)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2024/2025	unmeasured	unmeasured	unmeasured	unmeasured	unmeasured
2023/2024	unmeasured	unmeasured	unmeasured	unmeasured	unmeasured
2022/2023	unmeasured	unmeasured	unmeasured	unmeasured	unmeasured
2021/2022	unmeasured	unmeasured	unmeasured	unmeasured	unmeasured
T3.1.2					

Chapter 3

Figure 3: Water Use by Sector [IS]



Comment on water use:

The supply is above demand as per the latest SDF in the next 5 years and depending on the review.

- 90% (11 281) HH with access and 10% (1 253) HH without access.
- The current supply of Fortuna WTW and Grootvlei Eskom WTW is 21.5MI/day.
- Fortuna Water Treatment Works has been upgraded from 6.5MI/d to 19.5 MI/d, supplies the entire Dipaleseng 3 nodal points, namely Balfour, Siyathemba, Ridgeview, Greylingsstad and Grootvlei areas from Ward 1-Ward 6 and the plant was commissioned.
- The recently upgraded water scheme, included the new installation of 5MI/d of reservoirs constructed in Balfour and Grootvlei.

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Table 15: Water Service Delivery Levels [IS]

Description	2024/25	2023/24	2022/23
	Actual	Actual	Actual
	No.	No.	No.
Water: (above min level)			
Piped water inside dwelling			
Piped water inside yard (but not in dwelling)	14 477	12 734	7059
Using public tap (within 200m from dwelling)	11 950	650	8759
Other water supply (within 200m)	11 950	650	3209
<i>Minimum Service Level and Above sub-total</i>	14 477	14 034	16909
<i>Minimum Service Level and Above Percentage</i>	95%	93.5%	96%
Water: (below min level)			
Using public tap (more than 200m from dwelling)	11 950	650	44
Other water supply (more than 200m from dwelling)			
No water supply	584	395	36
<i>Below Minimum Service Level sub-total</i>	0.04%	0.607%	0.03%
<i>Below Minimum Service Level Percentage</i>			
Total number of households*	14 477	14 034	16909
<i>* - To include informal settlements</i>			

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Table 16: Water Min Service Delivery Levels

Description	2024/2025	2023/24	2022/23
		Actual No.	Actual No.
Formal Settlements			
Total households	14 477	13,867	13,867
Households below minimum service level	11 950	2,357	2,357
Proportion of households below minimum service level	95%	16%	16%
Informal Settlements			
Total households	1 943	3869	3869
Households is below minimum service level	584	2499	2499
Proportion of households is below minimum service level	30%	64%	64%

Table 17: Access to Water

Access to Water			
	Proportion of Households with access to water points*	Proportion of Households with access to piped water	Proportion of households receiving 6kl free#
2024/2025	4500	14 477	14 477
2023/2024	3200	14 750	14 750
2022/2023	2809	13079	13079

T 3.1.5

* Means access to 25 litres of portable water per day supplied within 200m of a household and minimum flow of 10 litres, #6000 litres of portable water supplied per formal connection per month

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Table 18: Water Service Delivery Objectives [IS]

Water Service Policy Objectives Taken From IDP										
Service Objectives Service Indicators (i)	Category (ii)	KPIs (ii)	2022/23		2023/24		2024/25			
			Target	Actual	Target	Actual	Target *Following Year	Target	Actual	Target *Following Year
Service Objective: Develop and maintain infrastructure										
<i>Water Infrastructure and Services</i>	Formal Households	Percentage household with access minimum basic water supply	96%	96%	100%	97%	100%	100%	95%	100%
	Informal Households	Percentage household with access minimum basic water supply	80%	80%	90%	87%	100%	95%	90%	100%
<i>Clean and safe water provision</i>		Blue drop rating	50%	9%	50%	7%	50%	90%	80%	50%

T3.1.6

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Table 19: Employees Water Services

Job Level	2022/23		2023/24		2024/25	
	Employees No.	Posts No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
17 -18	0	0%	0	0%	0	0%
16-14	0	0%	0	25%	0	0%
13-11	0	0%	3	0%	0	0%
10-08	0	0%	15	0%	13	90%
07 - 05	0	0%	0	60%	0	0%
04 - 03	0	0%	0	0%	0	0%
Total	0	25%	18	85%	13	90%

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Table 20: Financial Performance Water service [IS]'

Details	Financial Performance: Water Services							
	2021/22	2022/23	2023/24	2024/25	Original Budget	Adjustment Budget	Actual	Variance to Budget
	Actual	Actual	Actual					
Total Operational Revenue	23 276	91 264	28 953	28 963	29 328		183 382	84%
Expenditure:								
Employees	1 369	2 357	2 421	2 035	2 035		6 415	68%
Repairs and Maintenance	2 855	15 280	6 007	9 063	10 381		27 881	67%
Other	5 967	35 730	35 047	417	417		138 375	100%
Total Operational Expenditure	10 191	53 367	43 475	11 515	12 833		172 671	93%
Net Operational Expenditure	13 085	37 897	(14 522)	17 448	16 495		10 711	-63%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.</i>							T 3.1.8	

Chapter 3

Comment on water services performance overall:

Water related projects are being implemented by the District Municipality through RBIG.

Table 21: Capital Expenditure Water Services [IS

Capital Projects	Capital Expenditure Year Water Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All				#DIV/0!		
Project A	-	-	-	#DIV/0!		
Project B	-	-	-	#DIV/0!		
Project C	-	-	-	#DIV/0!		
Project D	-	-	-	#DIV/0!		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.1.9

Chapter 3

3.2 WASTE WATER (SANITATION) PROVISION

SANITATION PROVISION

Dipaleseng Local Municipality has three (3) waste water treatment works namely: Balfour WWTW, Grootvlei WWTW, AND Greylingsstad WWTW that receive sewer from different areas within the municipality. The plants are classified as B, D, and D respectively. The areas that are not connected are catered through convertible waterborne. During the period under review, the above WWTWs were not functional, which resulted in less scoring on the green drop assessment. The low scoring on the green has then resulted in the plan of action for the outer years.

Table 22: Sanitation Service Delivery Levels

Description	2022/2023	2023/2024	2024/2025
<u>Sanitation/sewerage: (above minimum level)</u>			
Flush toilet (connected to sewerage)	14459	14 300	12 734
Flush toilet (with septic tank)	410	510	400
Chemical toilet	216	216	350
Pit toilet (ventilated)	216	216	820
Other toilet provisions (above in-service level)	0	0	0
<i>Minimum Service Level and Above sub-total</i>	15409	15 940	14 477
<i>Minimum Service Level and Above Percentage</i>	98%	89.7%	99 %
<u>Sanitation/sewerage: (below minimum level)</u>			
Bucket toilet	0	0	0
Other toilet provisions (below in-service level)	432	336	336
No toilet provisions	0	0	0
<i>Below Minimum Service Level sub-total</i>	432	336	336
<i>Below Minimum Service Level Percentage</i>	2%	3%	1%
Total households	15171	15171	14 477

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Table 23: Sanitation Min Service Delivery Levels [IS]

Description	2022/2023	2023/2024	2024/2025
	Actual	Actual	Actual
	No.	No.	No.
Formal Settlements			
Total households	14,426	14 300	14 477
Households below minimum service level	324	1872	336
Proportion of households below minimum service level	2.25%	12.69%	1%
Informal Settlements			
Total households	2,451	3293	1 943
Households below minimum service level	842	4026	336
Proportion of households below minimum service level	34.35%	221.64%	17%

N.B: The project for construction of sewer reticulation and construction of toilet top structures could not be completed in time due to late appointment of Contractor.

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Table 24: Access to Sanitation

Access To Sanitation	
Access To Sanitation	
2024/2025	14 477
2023/2024	14 300
2022/2023	13 171

Table 25: Sanitation Service Delivery Objectives [IS]

Waste Water (Sanitation) Service Policy Objectives Taken From IDP								2024/25		
Service Objectives Service Indicators (i)	Category (ii)	KPIs (ii)	2022/23		2023/24		Target *Followi ng Year	Target 2024/25	Target Actual	Target *Followi ng Year
			Target	Actual	Target	Actual				
Service Objective: Develop and maintain infrastructure										
<i>Improve Access to Municipal Basic Services</i>	Formal Households	Percentage household with access minimum basic sanitation services	96%	94%	100%	96%	97%	100%	99%	97%
	Informal Households	Percentage household with access minimum basic sanitation services	50%	11%	60%	8%	50%	100%	83%	50%
		Green drop rating	50%	26%	50%	4%	50%	Under assessment	TBA	50%

T3.2.6

Chapter 3

Table 26: Employees Sanitation Levels [IS]

Job Level	Employees: Sanitation Services					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
17 -18	1	0	0	0	0%	
16 -14	4	0	0	0	0%	
13 -11	1	1	0	1	100%	
10 - 08	0	0	0	0	0%	
07 - 05	15	15	14	13	92%	
04 - 03	0	16	0	0	0%	
Total	20	31	14	14	96%	
						T 3.2.7

Table 27: Financial Performance Sanitation [IS]

Details	Financial Performance: Sanitation Services							R'000	
	2021/22	2022/23	2023/24	2024/25					
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	22 978	25 047	27 290	26 508	28 976	28 368	0%		
Expenditure:									
Employees	1 992	2 431	4 345	5 456	5 456	3 275	-67%		
Repairs and Maintenance	428	7	-	174	174	-	#DIV/0!		
Other	2 683	4 286	-	2 182	2 182	-	#DIV/0!		
Total Operational Expenditure	5 103	6 717	4 345	7 812	7 812	3 275	-139%		
Net Operational Expenditure	17 875	18 330	22 945	18 696	21 164	25 093	25%		
								T 3.2.8	

Chapter 3

Table 28: Capital Expenditure Sanitation Services [IS]

Capital Projects	Capital Expenditure: Sanitation Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All projects				#DIV/0!		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.2.9

Comment on sanitation services performance overall [IS]

Access to basic sanitation is at 96% with the main challenge to address the backlogs (sewer provision) being that all our Wastewater treatment works being vandalized.

- Balfour North and Siyathemba Ext 5 and 6 - a total of 240 households have been reticulated;
- The total of 1 200 Households in Ridgeview have been connected to sanitation network
- Upgrading of Siyathemba Sewer pump Station is a multi-year project, phase 1 of the project has reached completion within the reporting period.
- Phase 2 of the project will commence once the project is cash backed with the budget.
- The actual expenditure for this project is amounting to R 12.6M and the variance from the original budget is R 290 000.
- The budget for phase two is approximately R 20M.
- Replacement of blocked concrete Bulk Sewer pipeline in Balfour north (Emabunwini) phase 1 to start in 2025/26 Financial year.

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3.3 ELECTRICITY [IS]

ELECTRICITY UNIT

The electrical infrastructure of Dipaleseng Local Municipality comprises of 3 [Three] main substations, located in 3 [three] different nodal points namely: Balfour, Grootvlei/Thabakgwadi and Greylingsstad areas, classified as follows below:

- Balfour Munic, 6.6kV Substation, at the apparent power of 15MVA
- Klap-Spring Collieries [Grootvlei], 6.6kV Substation, at the apparent power of 5MVA and
- Greylingsstad Munic, 11kV Substation, at the apparent power of 5MVA.

Our existing distribution network ranges from the medium voltage of 11kV, 6.6kV and low voltage reticulation of 400V, the Municipal main responsibility is to ensure the continuity of electrical supply from main substations till to the customer's service main supply of either 230 V or 400V.

There's a newly constructed Siyathemba Substation, located in Vlakfontein [Portion 5], which consist of 10MVA capacity at the medium voltage of 22kV network. The substation is aimed to alleviating load from the old 6.6kV Balfour Munic Substation, thereby supplying power to Joe Slovo and Nkanini areas. The newly establish Ridgeview area will also get power from this substation, as well as the future development in Balfour.

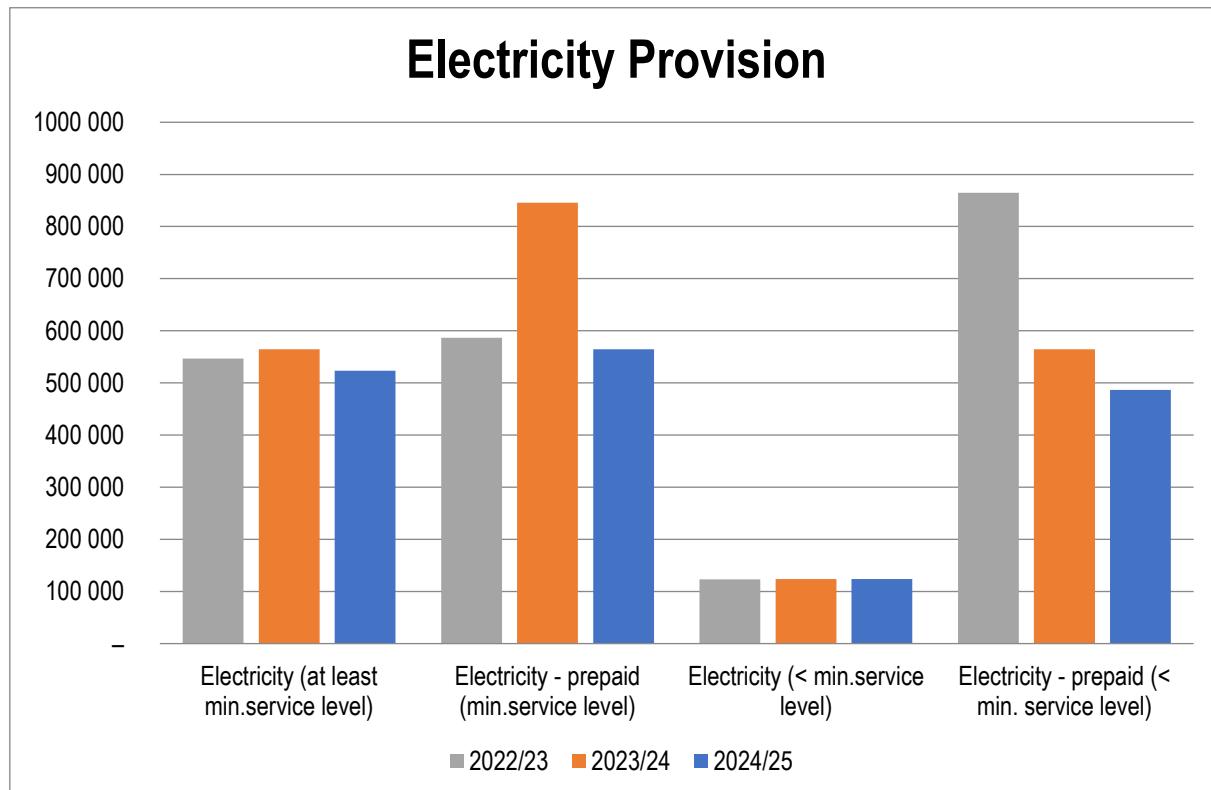
Our Medium Voltage and Low Voltage network reticulation consists of underground cabling, overhead lines, miniature substations, RMU [Ring Main Unit], H-pole and pole mounted substations, which subsequently forms part of network distribution to all users in Dipaleseng licensed area of supply.

The Municipality is supplying electricity to various amenities such as local Industries like [Karan Beef], Schools, TVET College, Businesses, Government institutions, Community halls, CHC,SAPS, Churches, OTK and residential areas, etc.

Dipaleseng Local municipality is still committed to reach the universal access as per the target set out by the National government of rural electrification plan, through the INEP programme from DMRE. There's also mushrooming informal settlements within our jurisdiction.

Kindly refer to the below illustrated figure 4 electricity provision chart

Figure 4: Electricity Provision



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Table 29: Electricity Service Delivery Levels [IS]

Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	Actual No.
<u>Energy: (above minimum level)</u>			
Electricity - prepaid (in-service level)	5230	5607	5640
<i>Minimum Service Level and Above sub-total</i>	10,501	8143	9550
<i>Minimum Service Level and Above Percentage</i>	49%	68%	59%
<u>Energy: (below minimum level)</u>			
Electricity (< in-service level)	5630	5607	5650
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
<i>Below Minimum Service Level sub-total</i>	2	2	2
<i>Below Minimum Service Level Percentage</i>	46.5%	40.7%	41%
Total number of households	12 087	13 750	12 534
<i>T 3.3.3</i>			

Table 30: Electricity Min Service Delivery Levels [IS]

Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Total households	12 087	13 750	14 477
Households below minimum service level	1 200	3 293	5 139
Proportion of households below minimum service level	26%	24%	41%
Informal Settlements			
Total households	1 200	3 293	5 139
Households below minimum service level	1200	3293	5 139
Proportion of households below minimum service level	100%	100%	100%
<i>T 3.3.4</i>			

Chapter 3

Table 31: Electricity Service Delivery Objectives [IS]

Electricity Service Policy Objectives Taken From IDP								
Service Objectives (i)	Category (ii)	KPIs (ii)	2022/23		2023/24		2024/25	
			Target	Actual	Target	Actual	Target	Actual
Service Objective: Develop and maintain infrastructure								
<i>Electricity Infrastructure and Services</i>	Formal Households	Percentage household with access minimum basic electricity services	95%	97%	100%	100%	100%	95%
	Informal Households	Percentage household with access minimum basic electricity services	0%	0%	0%	0%	0%	0%
T3.2.6								

Comments

- The target in the 2024/25 FY for the distribution of municipal electricity services was envisaged at 100%

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Table 32: Electricity Employee Levels [IS]

Job Level	Employees: Electricity Services									
	2022/23		2023/24				2024/25			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
17 -18	1	1	1	0	0%	1	1	1	100%	
16 -14	6	6	6	0	0%	4	0	0	0%	
13 -11	9	9	9	2.92	32%	4	4	4	0	
10 - 08	0	0	0	0	0	2	4	2	0	
07 - 05	0	0	0	0	0	2	2	2	32%	
04 - 03	0	1	0	0	0	1	0	0	0	
Total	16	17	16	5.84	34%	14	14	8	66%	
T 3.3.6										

Table 33: Electricity Financial Performance [IS]

Details	Financial Performance: Electricity Financial Performance							R'000	
	2021/22		2022/23		2023/24		2024/25		
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	71 154	92 681	75 634	113 378	93 694	100 145	-13%		
Expenditure:									
Employees	4 556	4 966	5 529	-	-	6 556	100%		
Repairs and Maintenance	25 535	13 378	14 177	2 783	2 783	8 496	67%		
Other	88 583	102 137	119 977	121 558	121 558	163 723	26%		

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Total Operational Expenditure	118 674	120 481	139 683	124 341	124 341	178 775	30%
Net Operational Expenditure	(47 520)	(27 800)	(64 049)	(10 963)	(30 647)	(78 630)	86%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.</i>							<i>T 3.3.7</i>

Table 34: Electricity Capital Expenditure [IS]

Capital Projects	Year 2024/25					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All project						
Appointment of a Contractor for the Construction of 2 X 4km Feeder Lines to Ridgeview.	R19m	R0.00	R19M	R0.00	R19m	
Electrification of 1 200 Households (HH) in Ridgeview – Phase 2	R 28m	R0.00	R28M	R0.00	R28m	
Construction of 10MVA Balfour Substation – Phase 3	R36m	R0.00	R36M	R0.00	R36m	
<i>T 3.3.8</i>						

Chapter 3

Comment on electricity services performance overall:

- INEP Projects: Construction of Balfour 10MVA Substation is at 100% complete, awaiting for Eskom to energise their 88kV switching Substation.
- The Electrification plan of Ridgeview 1 200 Households is 100% complete and commissioned.
- Construction of 2 X 4km Feeder Lines [22kV] to Ridgeview is at 100% complete, and commissioned.
- The municipality is currently faced with the looming/mushrooming of infrastructure vandalism and cable theft, perpetrators take advantage of outages of MV and LV network failure.
- The Municipality consist of one electrical Cherry Picker truck, which is responsible to services all three nodal points electrical network and it becomes difficult to focus on other responsibilities such as streetlights and high mast lights maintenance.

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3.4 WASTE MANAGEMENT

WASTE MANAGEMENT [CSPS]

The Municipality provides Integrated Waste Management Services to all businesses, households, industries, institutions and informal settlement regular awareness and education campaigns on waste minimization, proper waste management techniques, and public participation (i.e., house-to-house) are done, and the operations at the landfill sites daily

The Municipality provides the waste service to Balfour Residential area, Balfour CBD, Siyathemba, Greylingstad, Grootvlei, Phomolong and Nthoroane, Thaba Kgoadi, Eskom P & H side. The Municipality has developed a Waste Collection Schedule which was adapted by Council and waste is collected in accordance to this schedule, which indicates the days of the week and areas which waste will be collected. The Municipality is also able to implement an alternative Waste Collection Schedule when one truck is non-operational due to mechanical breakdowns or failures. The service is rendered to **14 590** households and the Municipality has had a significant increase of the number of new developments and formalization of other settlements which need to receive the service.

The Municipality has some arrangements in place for collection of waste in some informal settlements which are inaccessible or have no roads. Residents are able to put waste in plastics bags on the kerbs of the main road on waste collection days as the Municipal approved Waste Collection schedule. Areas that still don't receive collection are the surrounding farms. There are no communal bins or own refuse dumps in such areas and illegal dumps still remain a challenge. The Municipality currently does not have the capacity to render service to the surrounding farms.

There is a significant decrease in the illegal dumping due to operation Letsema conducted every Mondays on a rotational basis in all wards to address the scourge of illegal dumping. The Municipality is performing well as it is currently sitting at **90 %** refuse removal service with a backlog of **10%** because of the inaccessibility of some of the residential areas due to bad road conditions and the backlog in farms areas.

The Municipality has had no increase in the number of households that receive a refuse removal service in this financial year as compared to the previous one.

1. Waste Disposal (Landfill) Sites

The Municipality has three landfill sites as discussed below:

The Balfour Waste Disposal Sites was issued a license in 2014, in terms of the National Environmental Management: Waste Act, 2008 (Act 59 of 2008). Authorization was granted for the upgrading of the Site, subject to the specified conditions. However, these conditions have not been met. The site is operated by the Municipality. Cover material is not readily available and no regular covering of waste is occurring. The uncontrolled reclaiming of waste on the waste disposal site is interfering with the operational activities and should be formalised. There is regular burning of waste taking place which is done mainly by the

Chapter 3

informal reclaimers on site. The fence, allusion blocks and offices have been vandalised and the weight bridge erected has never been functional. Funding needs to be sourced to upgrade the site as specified on the License conditions.

The Grootvlei Waste Disposal Site was granted a license in 2014 for the construction of a transfer station of the Grootvlei Waste Disposal Site.

The site has never been closed and is however still operational and receives waste from the surrounding areas. The site is operated by the municipality. Cover material is not readily available, and no regular covering of waste is occurring. The uncontrolled reclaiming of waste on the waste disposal site is interfering with the operational activities and should be formalised. There is regular burning of waste taking place which is done mainly by the informal reclaimers on site.

The Greylingsstad Waste Disposal Site is licensed in terms of Section 45 of the National Environmental Management: Waste Act, (Act 59 of 2008) in 2014. The license was granted for the Closure of the Greylingsstad Waste Disposal Site. The site has never been closed and is still operational and receives waste from the surrounding area. The municipality needs to source funds to ensure proper management of all its Waste Disposal Sites.

2. Litter Picking and Illegal Dumping

Litter picking is done daily from Mondays to Fridays in all CBD areas and occasionally during weekends, depending on the need. No permanent litter pickers are available to do litter picking along access routes. When EPWP or CWP employees are available, access roads are prioritized.

Illegal dumping of general waste, building rubble and soil are a major problem within the municipality. Illegal dumped waste is removed daily based on a programme and availability of fleet and resources.

3 Waste Minimization and Recycling

Recovery of recyclable materials is done mainly by private individuals and companies within the municipal area and sold to private buy-back centres in the area. According to the National Environmental Management Waste Act no 59 of 2008 Section 12, states that the Integrated Waste Management Plans must contain amongst other things, establish targets for collection, minimization, re use and recycling of waste. Unfortunately, our municipality is not equipped with necessary resources in order to implement waste minimization initiatives. Education and awareness on recycling is done frequently and when the needs arise.

WASTE COLLECTION AND TRANSPORTATION

Waste was collected in all wards as the planned waste collection schedule. Due to the increase in population and number of household, the generation of waste is getting doubled day by day. This increase of waste is affecting the space at the landfill sites. The Grootvlei and Nthoroane landfill site have reached their maximum capacity, also the lack of equipment's and machinery make both sites inaccessible. Waste piles have blocked the entrances and roads leading to the site. Regular/ daily compacting is not happening.

The following functions were performed by the Waste Management division:

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Collection of waste in all nodal points as per waste removal schedule.
 Clearing and Rehabilitation of Landfill sites in all nodal points
 Maintenance of Parks, Sports ground and Recreational facilities
 Cleaning of illegal dumping sites in all nodal points from time to time
 Cutting of grass in all nodal points as per schedule
 Cleaning of town all nodal points assisted by EPWP, CWP AND SIYATHUTHUKA Beneficiaries
 Conducting Waste Management Awareness Campaigns

Table 35: Waste removal service delivery levels [CSPS]

solid waste service delivery level	households			
	description	2022/23	2023/24	2024/25
		actual No.	actual No.	actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	14 590	14 590	14 590	
<i>Minimum Service Level and Above sub-total</i>	14590	90 %	90%	
<i>Minimum Service Level and Above percentage</i>	85%	85%	85%	
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	247	0	0	
Using communal refuse dump	119	0	0	
Using own refuse dump	45	72	72	
Other rubbish disposal	55	1897	1897	
No rubbish disposal	155	1897	1897	
<i>Below Minimum Service Level sub-total</i>	621	3 866		

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solid waste service delivery level		households		
description	2022/23		2023/24	2024/25
	actual No.	actual No.	actual No.	actual No.
<i>Below Minimum Service Level</i> percentage	10.8%		15%	15%
Total number of households	13 190	13 624	14 590	

Source: Statistic SA /CS 2016

T 3.4.2

Table 36: Solid Waste Removal Min Services Levels [CSPS]

Description	2022/23	2023/24	2024/25
	Actual No.	Actual No.	Actual No.
Formal Settlements			
Total households	14 590	14 590	14 590
Households below minimum service level	1459	1459	1459
Proportion of households below minimum service level	15 %	15 %	15 %
Informal Settlements			

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Description	2022/23	2023/24	2024/25
	Actual	Actual No	Actual No.
Total households	14 590	14590	14 590
Households below minimum service level	1459	1459	1459
Proportion of households below minimum service level	10%	10%	10 %

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Table 37: Waste Management Service Policy Objectives [CSPS]

Service Objectives	Category	KPIs	2022/23		2023/24		2024/25		2024/2025 Target the following year
			Target	Actual	Target	Actual	Target	Actual	
Service Indicators (i)	(ii)	(ii)							
Service Objective: Develop and maintain infrastructure									
<i>Waste Management Infrastructure and Services</i>	Formal Households	Percentage household with access to waste removal services	100%	90%	100%	90 %	100%	90%	100%
	Informal Households	Percentage household with access minimum basic electricity services	100%	10%	100%	10%	100%	10%	100%

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Table 38: Solid Waste Management Employees [CSPS]

Job Level	Employees: Human Resource Services				
	2023/24		2024/25		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
17 -18	1	1	0	0	0%
16 -14	0	0	0	0	0%
13 -11	1	1	1	1	100%
10 - 08	6	7	6	10	86%
07 - 05	10	16	10	16	62%
04 - 03	0	0	0	0	0%
Total	17	24	17	26	63%

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Table 13: Waste Disposal Financial Performance

The unit is operating with a **37%** staff complement whilst **63%** of the position remained vacant. The vacancy rate was augmented by the EPWP beneficiaries who are employed seasonal to assist the Municipality to render services to an acceptable level. The high vacancy rate warrants for an urgent review of the current organogram in order to enable the unit to fulfil its organizational objectives.

Details	Financial Performance: Community Services						
	2021/22	2022/23	2023/24	2024/25			
Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	11	-28	0	16	16	81	80%
Expenditure:							
Employees	5794	7898	6444	12182	12182	8458	-44%
Repairs and Maintenance	265	496	0	290	290	144	-101%
Other	2540	12488	0	127	127	3507	96%
Total Operational Expenditure	8599	20882	6444	12599	12599	12109	-4%
Net Operational Expenditure	-8588	20854	-6444	-12583	-12583	-12028	-5%
T 3.4.7							

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Table 40: Waste Capital Expenditure Management Services [CSPS]

Capital Projects	Capital Expenditure: Waste Management Services					R' 000	
	2024/25						
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value		
Total All projects	R5 000 000	R0.00	R5 000 000.00	R0.00	/		
T 3.4.9							

Comment on Waste Management Service Performance overall:

The Municipality has shown no increase in the number of households with both formal and informal that receive a refuse removal service from the Local Authority. The number of households that do not receive refuse removal service is in this case attributes to farms and rural areas that are remotely located and which are not easily accessible to the Municipality to render a Waste Removal Service. This is due to the lack of resources and inaccessible roads in such areas.

The municipality has 3 Trucks, overall the Municipality is performing in average towards achieving 90% refuse removal services, there is seldom interruptions that occurs when there is mechanical breakdown of refuse removal trucks and during rainy inclement weather conditions.

Integrated Waste Management Plan is in place and has been approved by DLM Council and endorsed by the MEC (DARDLEA), is being implemented although with challenges such as the unavailability of Yellow fleet and appointment of personnel.

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3.5 HOUSING (PED)

Dipaleseng Local Municipality subscribes to the notion of integrated and sustainable human settlements. Therefore, the identification and acquisition of well-located land, adequate access to municipal services, social and economic annuities including roads services continued to be the key determinant to achieve high levels of integration and sustainable human settlements. One of the Department of Human Settlements' areas of responsibility relates to the facilitation of the provisioning of housing subsidies.

Table 41: % of H/H with Access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2024/25	18043	14750	81,7%
2023/24	18043	14750	81.7%
2022/23	14449	13176	91%
2021/22	1721	63	36%
T 3.5.2			

Table 42: Housing Services Employees

Job Level	2022/23		Employees: Housing Services				
	Employees	2023/24	2024/25				
			No.	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
17 -18	0	0	0	0	0	0	0%
16 -14	5	2	3	2	2	2	67%
13 -11	0	1	0	0	0	0	0%
10 - 08	0	0	0	0	0	0	0%

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			Employees: Housing Services				
Job Level	2022/23	2023/24	2024/25				Vacancies (as a % of total posts)
	Employees	No.	Posts	No.	Employees	No.	Vacancies (fulltime equivalents)
07 - 05	0	0	0	0	0	0	0%
04 - 03	0	0	0	0	0	0	0%
Total	5	3	6	2	2	2	33%

T 3.5.4

Table 43: Housing Services Financial Performance

Capital Projects	2024/25					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	R0.00	R0.00	R0.00	0%		
Land for RDP houses	R0.00	R0.00	R.000	0%		

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Capital Projects	2024/25					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.5.6	

Overall Comment

The budget for housing services resides at the Provincial Department of Cooperative Government, Human Settlements and Traditional Affairs, who are duly responsible for reporting on budget and capital expenditure, whilst the municipality plays a facilitation role in the provision of the services.

Table 44: Housing Services Capital Expenditure [PED]

Capital Projects	Capital Expenditure: Housing Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	R0.00	R0.00	R0.00	0%		
Land for RDP houses	R0.00	R0.00	R0.00	0%		

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Capital Expenditure: Housing Services					R' 000
Capital Projects	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.5.6

Comment on the overall performance of the housing service:

The Municipality plays a facilitation role through sitting of steering committees which serve as a platform for reporting progress and raising challenges that may occur in the implementation of the project; and to provide interventions for the project to be successful and ensure good quality of houses.

Housing Subsidy Allocation and Implementation

In the financial year under review, there were no new housing subsidies implemented by the Provincial Department of Cooperative Government, Human Settlements and Traditional Affairs as the last of the 1500 houses in Ridgeview were built and handed over in the 2023/24 financial year. Beneficiaries have since taken occupancy of the completed units.

Title deed registration/restoration programme

This is a programme supported by DHS whereby Conveyancers are appointed on behalf of the Municipality for registration of title deeds to beneficiaries of subsidised housing units.

The Department of Cooperative Governance delivered a total of 455 title deeds at the end of the 2024/25 financial year in which a program of title deeds would be established to issue to intended beneficiaries in Ridgeview.

There still remains a backlog of title deeds in already established townships such as Siyathemba, Nthoroane and Grootvlei.

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Acquisition of land for development of integrated sustainable human settlements

Land is an upfront component of integrated sustainable human settlements and/or provision of housing as such there is a need to acquire land. A considerable amount of well-located land however belongs to private individuals and tends to be expensive. Notwithstanding these, it is still a Constitutional right for citizens to be provided with shelter within the available resources of the state and/or Municipality.

The municipality is currently interested in the acquisition of properties for integrated human settlements that are owned by the Communal Property Association. These include:

- Portion 29 of the Farm Doornhoek 577 IR and Portion of the Farm Zyferfontien 576 IR registered with Sizanani CPA
- The Remaining Extent of the Farm Vlakfontein 556 IR registered with Siyafuya CPA

The pieces of land are currently occupied by informal settlements of more than 10 years. The municipality has since requested COGHSTA to acquire the pieces of land on behalf of the municipality.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

FREE BASIC SERVICES AND INDIGENT SUPPORT [BTO]

The strategic objectives of Dipaleseng Local Municipality addresses the upliftment of the socio-economic status of the communities within the municipal area. To ensure that all residents within the community areas enjoy quality of life it is essential to monitor poverty levels and initiate programmes to decrease the number of households that are indigent. The review of the indigent register as well as continuous research in depth analysis on the root causes of such poverty is necessary to accurately determine the poverty levels in the community in order to develop strategies to alleviate the poverty levels. The provision of adequate basic services and municipal infrastructure remains a challenge throughout the municipality.

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Table 45: Free Basic Services

Free Basic Services To Low Income Households														
	Total	Number of households												
		Households earning less than R3010 per month												
		Total	Free Basic Water	Access	%	Free Basic Sanitation	Access	%	Free Basic Electricity	Access	%	Free Basic Refuse	Access	%
2024/25		1529	1529	100%		1529	100%		1529	100%		1529	100%	
2023/24		1022	1022	100%		1022	100%		1022	100%		1022	100%	
2022/23		464	464	100%		464	100%		464	100%		464	100%	
2020/21		1 071	1 071	100%		1 071	100%		1 071	100%		1 071	100%	
										T 3.6.3				

Free basic services are in respect on registered indigent only:

- Water (6 kilolitres per household per month)
- Sanitation (free minimum service level)
- Refuse Removal (removed at least once per week)

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Table 46: Financial Cost for Free Basic Services [IS]

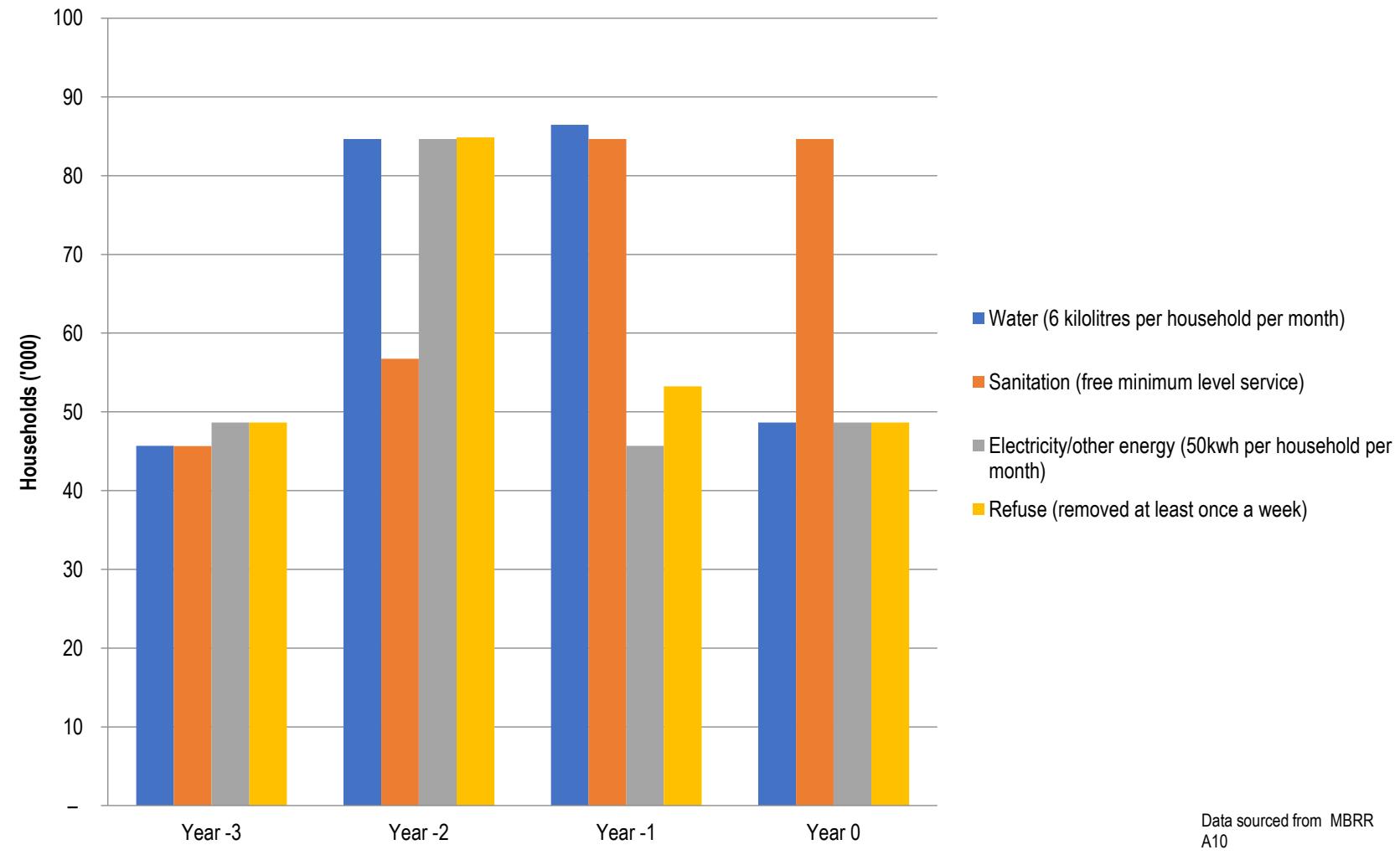
Financial Performance: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2021/22		2023/22	2024/25		
	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	464	805	3812	3812	2605	-46%
Waste Water (Sanitation)		805	200	350	359	44%
Electricity	300	805	21	21	3705	99%
Waste Management (Solid Waste)		805	4033	4183	6669	40%
Total	789	3 221	4033	4183	6669	40%

T 3.6.4

Financial Performance: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	c	2023/24	2024/25			
	Actual	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	805					-159%
Waste Water (Sanitation)	805					0%
Electricity	805					-159%
Waste Management (Solid Waste)	805					0%
Total	3 221					-159%

T 3.6.4

Free Basic Household Services



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COMPONENT B: ROAD TRANSPORT [IS]

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

INTRODUCTION TO ROAD TRANSPORT

3.7 ROADS

ROADS AND STORMWATER UNIT

The roads within DLM range from tarred roads (which are mostly Class D access roads) and gravel to dusty roads which are at the fair to bad state due to budgetary challenges and capacity constraints.

- Regravelling of 6km roads in Balfour North, [Ward 3]
- Upgrading of 2km Charles Street in Balfour, [Ward 3]
- Regravelling of 2km roads in Rissik Street Balfour Town, [Ward 3]
- Resurfacing [tar and paving] of 0.5 km Roads in Monareng Street, Siyathemba [Ward 4]
- Reconstruction of access and regravelling of 0.5 km Road in Balfour [Ward 4]

Table 47: Gravel Road Infrastructure [IS]

Gravel Road Infrastructure				
	Total gravel roads Gravel roads constructed Gravel roads upgraded to tar	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained (KM)
2024/25	2	6	2	50,3
2023/24	0.808	5.0	0.808	40
2022/23	221.1	0.3	0.8	30
2021/22	221.1	0.3	0.8	30

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Gravel Road Infrastructure				
	Total gravel roads Gravel roads constructed Gravel roads upgraded to tar	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained (KM)
				T 3.7.2

Table 49: Cost of Maintenance

Cost of Construction/Maintenance (YEAR)						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2024/25						
2023/24	5	2425	235	802	0	3076.31
2022/23	0	4200	235	2200	0	200
2021/22	0	4200	235	2200	0	200
						T 3.7.4

Cost of Construction/Maintenance (YEAR)						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2024/25	6	2104	321	0	0	2045.81
2023/24	5	2425	235	802 m	0	3076.31

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Cost of Construction/Maintenance (YEAR)						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2022/23	0	4200	235	2200	0	200
2021/22	0	4200	235	2200	0	200
						T 3.7.4

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Figure 5: Road Infrastructure Cost

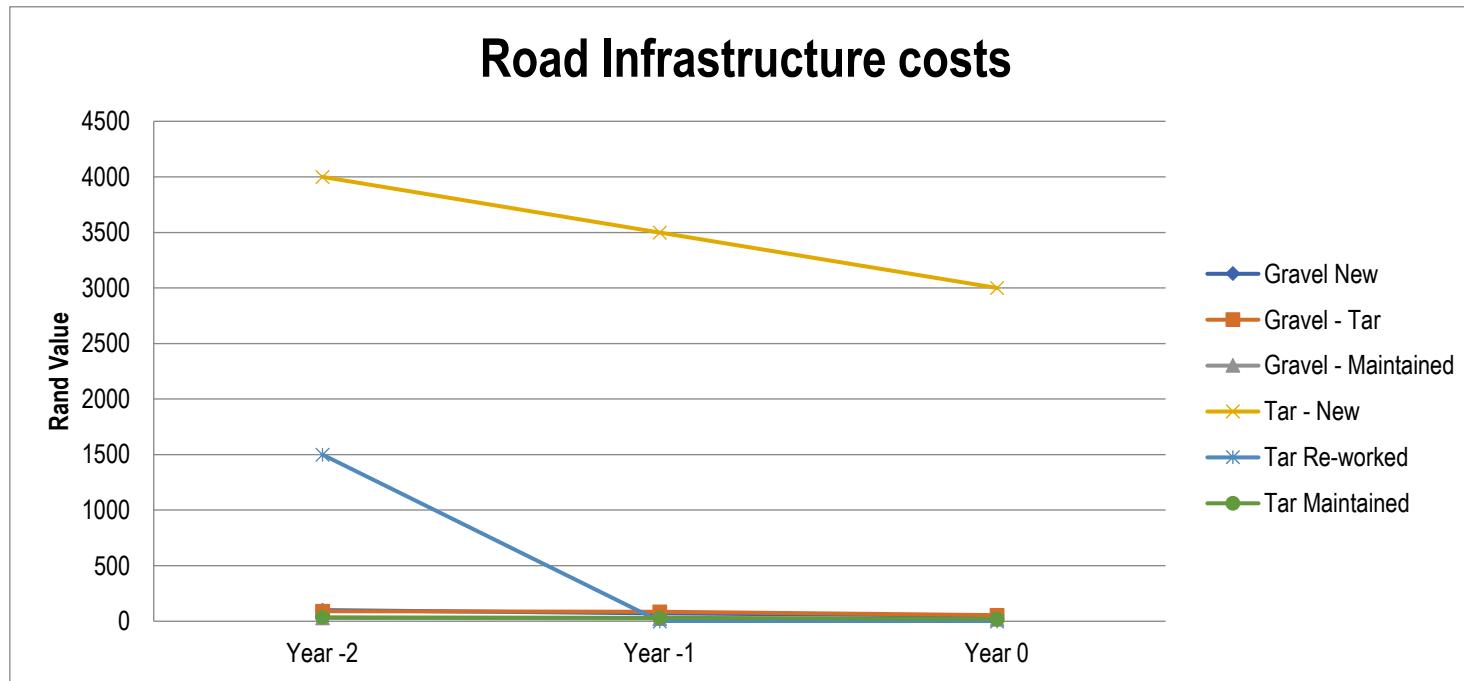


Table 50: Roads Service Policy Objectives [IS]

Service Objectives	Outline Service Targets	Year 2022/2023		Year 2023/2024		Year 2024/2025	
		Target	Actual	Target	Actual	Annual Target [km]	Actual performance [km]
Service Indicators		(vi)	(vi)	(vii)	(viii)	(v)	(vii)
Target	Actual	(vi)	(vi)	(vii)	(viii)	(v)	(vii)
Service Objective: Road Services							
Improved regravelled road network	Km's of gravel road upgraded by 30 June 2024/25 Financial Year	1.319kms	1.318kms	40	24.25	40	50,3

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Service Objectives		Outline Service Targets		Year 2022/2023		Year 2023/2024		Year 2024/2025	
Service Indicators				Target	Actual	Target	Actual	Annual Target [km]	Actual performance [km]
Target	Actual	(vi)	(vi)	(vii)	(viii)	(v)	(vii)		
Service Objective: Road Services									
Improved Storm water drainage maintenance	Km's of storm water drainage maintained by 30 June 2025	1,1kms	1,8kms	20	200	40	39.2		
Improved road network (Pothole patching)	m ² of roads patched by 30 June 2024/25 Financial Year			3 000	3 076.3	3000	10482,77		

Table 51: Road Services Employees [IS]

Job Level	Employees: Road Services									
	2022/23		2023/24				2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
No.	No.	No.	No.	No.	%	No.	No.	No.	%	
17 -18	0	0	0	0	0%	0	0	0	0%	
16 -14	0	0	0	0	0%	0	0	0	0%	
13 -11	0	0	0	0	0%	0	0	0	0%	
10 - 08	1	1	03	0	0%	1	1	1	100%	
07 - 05	12	12	02	0	0%	12	4	4	33%	
04 - 03	10	10	0	0	0%	10	3	3	30%	
Total	23	23	05	0	0%	23	8	8	35%	

NB: Information derived from the current organogram

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Employees: Road Services										
Job Level	2022/23		2023/24				2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	No.	No.	No.	No.	
T3.7.7										

Table 52: Roads Service Financial Performance

Details	Financial Performance: Road Services							R'000	
	2021/22	2022/23	2023/24	2024/25					
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	-	-	-	-	-	-	0%		
Expenditure:									
Employees	2 605	2 895	3 035	3 311	3 311	2 566	-29%		
Repairs and Maintenance	359	1 111	-	521	521	1 087	52%		
Other	3 705	245	-	100	100	3 561	97%		
Total Operational Expenditure	6 669	3 140	3 035	3 932	3 932	7 214	45%		

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Net Operational Expenditure	6669	4251	(3 035)	4 553	4 553	11 862	62%
.							

Table 53: Road Services Capital Expenditure

Capital Projects	Capital Expenditure: Road Services					R' 000	
	2024/25						
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value		
Total All projects				#DIV/0!			
Charles Street	R26m		R25m				
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.7.9	

Comment on the performance of roads overall:

- The construction of 2km Charles Street in Ward 3 is complete and commissioned.
- The actual expenditure for all the above projects has been spend 100%

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3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION) [IS]

INTRODUCTION TO TRANSPORT

In terms of powers and functions the municipality does not provide public bus operation and other transport services; however the municipality acts as an agent of the province by providing vehicles registrations and licensing.

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

The storm water system within DLM is mostly natural open storm water system which does not have the capacity to handle or channel the run off during rainy seasons.

Table 54: Storm Water Infrastructure

Storm water Infrastructure				
FY	Kilometres			
	Total Storm water measures [km]	New storm water measures [km]	Storm water measures upgraded [km]	Storm water measures maintained
2024/25	39.2	2	0	39.2
2023/24	20	0.802	0.802	20
2022/23	110	1.652	0	33
2021/22	110	1.652	0	33

T 3.9.2

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Table 55: Storm Water Construction/Maintenance Costs

Comment:

No allocation for cost of storm water construction/maintenance is allocated.

Table 14: Storm Water Service Policy Objectives

Stormwater Policy Objective Taken From IDP									
Service Objectives	Outline Service Targets	Year 1		Year 0		Year 1		Year 3	
		Year 2022/2023	Year 2023/2024	Year 2024/2025 (Current Year)	Year 2025/2026 (Follow Year)	Target	Actual	Target	Actual
Service Indicators		Target	Actual	Target	Actual	Target	Actual	Target	Actual
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective: Stormwater Management System									
Development of fully integrated stormwater management systems including wetlands and natural water courses	Phasing in system	Strategic Approval	None	Strategic Approval	None	Strategic Approval	None	Under Development	None

Comment on the storm water tables

Storm Water tables relating to Employees, Financial Performance and Capital Expenditure included with Roads

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COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT [PED]

PLANNING AND ECONOMIC DEVELOPMENT

The vision of the Department is to ensure integrated spatial planning, sustainable land use management and stimulation of economic development through:

- Exploiting existing economic potential of the Dipaleseng.
- Providing a framework for spatial planning and land use management.
- Establishment of safe and sustainable human settlements

3.10 PLANNING

The purpose of the unit is to Regulate, manage and promote well-coordinated spatial planning with focus on integration, redress and reversing undesirable settlement growth patterns. The municipality needs qualified town and regional planners to carry out the duties as set out by the Spatial Planning and Land use Management Act 16 of 2013.

The aim is to further manage Building Control within the entire jurisdiction of the Dipaleseng Municipal boundaries with the emphasis on the application of the Act on National Building Regulations and enforcement of the Act respectively.

Table 15: Applications for Land Use Development [PED]

Detail	Applications for Land Use Development					Formalisation of townships	Rezoning (all planning application)
	Formalisation of Townships	Rezoning (all planning application)		Formalisation of townships	Rezoning (all planning application)		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Planning application received	2	8	2	1	10	3	24
Determination made in year of receipt	0	8	0	0	7	0	7
Determination made in following year	0	3	0	2	3	3	5
Applications withdrawn	0	0	0	0	0	0	0
Applications outstanding at year end	0	2	0	0	3	0	11
						T 3.10.2	

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Comment on the performance of physical planning overall:

The section provides the statutory town planning applications received in the 2024/2025 financial year. These applications are assessed and/or reviewed by the Land Development Officer and approved by the Head of Department. COGTA is the monitoring authority in terms of the implementing SPLUM Act at local municipalities where monthly reports and template are tabled before Section 80 committees and submitted to COGTA. It should further be noted that any number of planning applications received are assessed and approved in terms of the SPLUM Act (2013), SPLUM By-Law (2016) and Land Use Scheme (2022) in addition to relevant legislation.

Accordingly. In the financial year under review a total of 24 town planning applications were received, 7 were assessed and approved respectively and 11 were outstanding at the end of the financial year due to incomplete applications. At the end of the financial year the Town planning Coordinator position was vacant due to a promotion of the then incumbent.

Three township application was received but due to outstanding compliance documents required in terms of SPLUMA and subject to more processes including public participation and submission of further required documents at the financial year end.

Table 16: Planning Policy Objectives

Service Objectives <i>Service Indicators</i>	Outline Service Targets	2022/23		2023/24		2024/2025	
		Target	Actual	Target	Actual	Target	Actual
Determine planning applications within an agreed timeframe	Approval / rejection of all built environment applications	100% (20)	100% (20)	100% (100)	100% (78)	100% (90)	100% (65)
	Reduce decisions overturned		0	0	0	0	0
T3.10.3							

There was an increase in building plans submitted and reviewed following continued development in Dipaleseng. In addition to the disposal of erven in Balfour North sites and implementation of Section 86(2) of the Dipaleseng SPLUM By-Law 2016 where compliance to SPLUMA is required prior to the issue of SPLUMA certificates. Although there was an increase in the number of building plans submitted and approved the actual work was still not achieved.

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Table 17: Planning Services Employees [PED]

Job Level	Employees: Planning Services				2023/24	2024/25
	Year 2022/23					
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Employees	Employees
	No.	No.	No.	%	No.	No.
17-18	2	2	1	0%	0	0
16 -14	2	1	1	0%	0	0
13 -11	0	0	0	0%	0	0
10 - 08	0	0	0	0%	0	0
07 - 05	0	0	0	50%	1	1
04 - 05	0	0	0	50%	2	2
Total	4	3	2	50%	3	3

Table 18: Planning Services Financial Performance [PED]

Details	Financial Performance: Planning Services							R'000	
	2021/22	2022/23	2023/24	2024/25					
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	0	0	-	-	-	-	-	0	
Expenditure:									
Employees	4 354	3 970	4 272	5 758	5 758	4 988	-15%		
Repairs and Maintenance	0	0	-				0		
Other	444	424	-	353	353	322	0%		
Total Operational Expenditure	4 798	4 394	4 272	6 111	6 111	5 310	-15%		
Net Operational Expenditure	4 798	4 394	(4 272)	(353)	(353)	(322)	-10%		
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>								T 3.10.5	

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Table 19: Planning Services Capital Expenditure [PED]

Capital Projects	Capital Expenditure: Planning Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	0	0	0	0	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
<i>T 3.10.6</i>						

The Planning Services Department had no capital project implemented in the financial year under review, however has facilitated several human settlements projects such as township developments and formalisation of informal settlements.

Comment on the performance of physical planning overall:

It must also be noted that the Dipaleseng Local Municipality continues to be a participant of the Gert Sibande District Joint Municipal Planning Tribunal as per Council resolution **C 163/05/24** dated the 30th of May 2024 with the three incumbents nominated to serve in the said GSDJMPT, namely Ms G Selepe (Legal Manager), Mr P Makhene (Electrical Manager) and Ms I. Mlonyeni (Town Planning Coordinator) for a period of five years.

Quarterly reports are submitted by Gert Sibande District Municipality to report on the attendance of the serving incumbents in line with the approved Standard Operating Procedures.

At the municipality, the Spatial Planning Office continues to receive and assess land development applications for approval by the relevant authority in terms of the Delegation register within a period of 120 days. This has provided challenges due to the incompleteness of applications received and compliance to legislation prior to the approval of the applications.

The municipality approved a Land Invasion Policy as per Council resolution **C 153/05/24** dated 28th May 2024 with a view of curbing the already existing number of land invasions and informal settlements that have occurred on municipal and privately owned land. As it stands, the Dipaleseng Local Municipality has a total of 11 identified informal settlements wherein 9 informal settlements are being formalised through the Provincial Department of Integrated Residential Cooperative Governance, Human Settlements and Traditional Affairs.

Integrated Residential Development Programme (IRDP) projects are implemented by the Provincial Department of Human Settlements as follows: Grootvlei Housing Development with a total yield of 2250 erven and total budget of R20 323 996.53. The township had been approved in the 2021/22 financial years and proclaimed

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thereafter. There was an allocation of 142 erven for the installation of engineering services completed in January 2025. The second IRDP project is the Vlakfontein Township Development with a total yield of 8900 erven and a total budget of 50 160 345, 80 and currently following SPLUMA processes until proclamation and the next phase of the project.

The implementation of upgrading plans/formalization of 9 informal settlements in wards 1, 2, 4 and 5 that has since commenced from the 1st of July 2023 and for a period of 36 months. The project is undertaken in terms of the National Upgrading Support Programme which is driven by the NDoHS and is implemented in 63 municipalities throughout South Africa including Dipaleseng Local Municipality.

As a means of forward planning, the municipality continues to register potential housing beneficiaries on the National Housing Needs Register. There are 9274 potential beneficiaries that have been registered at the end of the financial year with 1503 approved beneficiaries as at the end of June 2024. This approval is on the backdrop of the 400 completed housing allocated units in Ridgeview as at the end of June 2024.

A Land Acquisition and Disposal Policy was developed and approved in May 2022 as per item **C 153/05/23** to guide the disposal process of municipal property. It is however noted that the municipality still needs to develop an accurate land audit in order to ascertain its landmass which it owns and to avoid further challenges in the disposal process.

The municipality is compliant to the Spatial Planning and Land Use Management Act (SPLUMA) despite the need to drastically undertake the following initiatives:

- Need to facilitate integration and densification through well-located sustainable development and in-fills to promote integration.
- Capacity for the enforcement of SPLUMA that includes land enforcement/compliant officers
- Locate new developments closer to activity spine and corridors;
- Increase the development of housing in gap markets through Public Private Partnerships;
- Formalization of informal settlements in Siyathemba, Dasville, Nthoroane, Grootvlei through in-situ, incremental development and relocations.

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3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

Local Economic Development (LED) within the Municipality aims at meeting the basic needs of people through establishment a conducive environment that will create jobs and alleviate poverty in a sustainable manner. This is achieved through a collaborated effort for which the Local Economic Development Forum (LEDF) is a driver to the success. LEDF therefore offers local government, the private sector, Non-Profit Organisations and local community the opportunity to work together to improve the local economy through investment attraction and retention initiatives; and Local Economic Development (LED) catalytic project implementation.

Table 20: Economic Activity by Sector

Economic Activity by Sector	2021/2022	2022/23	2023/24	2024/25
Sector	2021/2022	2022/23	2023/24	2024/25
Agric, forestry and fishing	22.9%		16.4%	15.4%
Mining and quarrying	19,9%		15.8%	15.4%
Manufacturing	15.0%		6.9%	7.0%
Wholesale and retail trade	9,2%		17.8%	18.2%
Finance, property, etc.	8,5%		9.6%	9.7%
Govt, community and social services	8.0%		20.8%	21.2%
Infrastructure services	5,7%			-
Total				85%
Socio-economic Profile, 2024	T 3.11.2			

Table 21: Economic Employment by Sector

Sector	Jobs		
	2021/22	2023/24	2024/2025
Agric, forestry and fishing	8,5%	8.3%	8.0%
Mining and quarrying	8.0%	6.3%	5.7%
Manufacturing	5,7%	5.9%	6%
Wholesale and retail trade	5,7%	23.4%	23.7%
Finance/insurance/real estate and business services	15.0%	14.7%	14.8%
Community/social and personal services	19,9%	21.8%	22.2%
Electricity, gas and water supply	0,6%	0.6%	0.6%
Construction	5,4%	5.5%	6.0%
Transport Storage and communication	4,7%	4.8%	4.4%
Private households	9,2%	8.7%	8,5%
Undetermined	8,5%	5%	7,5%
Total	80.0%	75%	70%
Socio-economic Profile, 2024	T 3.11.3		

Comment on local job opportunities:

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The Municipality facilitates creation of job opportunities and promotion of poverty alleviation strategies to ensure sustainable livelihoods, and compilation of a quarterly report on job opportunities created. There are temporary labour intensive job opportunities created through various projects and government initiatives (EPWP and temporal jobs through Capital Infrastructure Projects) running within the municipal jurisdiction.

A majority of local emerging companies (SMMEs) are sub-contracted through the implementation of the Preferential Procurement Regulation and in turn employ local labourers.

There were various construction projects running within the municipal jurisdiction ranging from roads, upgrade and/or development of sewer plants and installation of pipelines. These projects have made an impact within the community as there has been employment opportunities created

Table 22: Jobs Created by LED Indicatives [PED]

Jobs Created during by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (Infrastructure Projects)				
2021/22	256		354	Contract
2022/23	766	-	766	Timesheets & contracts
2023/24	53		53	Timesheets & contracts
2024/25	40		40	Timesheets & contracts
Initiative B: 2023/24	288	0.00	288	Timesheets
Initiative C 2022/23	766	-	766	Timesheets & contracts
Initiative C 2021/22	53	-	53	Timesheets & contracts
Source – Capital Infrastructure Projects				T 3.11.5

Table 23: Jobs Created by EPWP Indicatives [PED]

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2024/2025	4	604
2023/24	4	93
2022/23	3	85
2021/22	4	144
*Source - Extended Public Works Programme		T 3.11.6

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Table 24: LED Policy Objectives

Service Objectives <i>Service Indicators</i>	Outline Service Targets	Local Economic Development Policy Objectives Taken From IDP						2024/25	2024/25	
		2021/22		2020/21		2023/24				
		Target	Target	Actual		*Following Year	Target	Actual		
Service Objective: Local Economic Development										
Job Creation	No of workshops conducted	3	3	4	1		1	4	5	
							T3.11.7			
<i>Source:</i>										

Table 25: LED Employees [PED]

Job Level	Employees: Local Economic Development Services						2023/24	2024/25
	2020/21		2021/22					
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Employees	Employees	Employees
	No.	No.	No.	No.	%	No.	No.	No.
17-18	0	0	0	0	0%	0	0	0
16 -14	1	0	0	0	0%	0	0	0
13 -11	0	0	0	0	0%	0	0	0
10 - 08	1	5	1	1	20%	1	1	1
07 - 05	0	0	0	0	0%	0	0	0
04 - 05	0	0	0	0	0%	0	0	0
Total	1	5	1	4	20%	1	1	1

Table 26: LED Financial Performance [PED]

Details	Financial Performance Year: Local Economic Development Services						R'000	
	2022/23	2023/24	2024/25					
			Actual	Actual	Original Budget	Adjustment Budget		
Total Operational Revenue	-	-	-	-	-	-	-	
Expenditure:								
Employees	-	-	-	-	-	-	-	
Repairs and Maintenance	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Total Operational Expenditure	-	-	-	-	-	-	-	

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Net Operational Expenditure	-	-	-	-	-	-	-
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						<i>T 3.11.9</i>	

Comment:

All PEDS capital projects had to be cancelled during the year in question due to financial constraints that were resultant to the stopping of the Equitable Share Allocation.

LED is an unfunded mandate of the municipality; however, the financial performance and/or budget is being reported.

Table 27: LED Capital Expenditure [PED]

Capital Projects	Capital Expenditure: Economic Development Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total all projects (na)	R 00 000,00	-	R0 000,00			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						<i>T 3.11.10</i>

Comment on local economic development performance overall:

The Dipaleseng Local Economic Development (LED) Strategy of the municipality was noted to be outdated. It was initially developed in 2011 with a lifespan ending in 2016. There had been no annual reviews of the said LED strategy to date and planned development of the document came with budgetary and capacity challenges in the 2024/25 financial year.

Public Private Partnerships through Social labour plans and Corporate Social Investment plans were in place, specifically for Sibanye Stillwater Mine and SASOL where council approved projects in line with the IDP and community consultations. The municipality approved the construction of a service centre for the elderly at the Siyathemba Old Clinic in implementing the Sibanye Stillwater Mine and the upgrading of Nthorwane stadium for the implementation of the SASOL SLP.

Council established a Just Energy Transition (JET) Steering Committee on the 27th of June 2025 that is a multi-stakeholder platform to oversee JET initiatives that are implemented in Dipaleseng LM by investors and ESKOM towards the repurposing of the Grootvlei power station.

The LEDF was established in the previous financial year and was council approved C 333/11/23 with all the relevant chairpersons to serve for a further two years. The LEDF structure was functional for the 1st and 2nd quarter of 2024/25 with scheduled sittings, however, in the 3rd and 4th quarter there were no sittings due to instability in the local economic space.

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The LED Forum that remained in place from November 2023 until the 30th of November 2025 comprised of 12 sub-committees from the various economic sectors as outlined below:

No.	Sectors / Sub Committees	Name and Surname	Contact Details
1.	Mining and Energy	Mr. Mosebenzi Khanyile	Cell: 083 982 4009
2.	Tourism, Arts and Culture	Ms. Busisiwe Mlangeni	Cell: 064 943 2086
3.	Construction	Mr. Zakhele Tshabalala	Cell: 084 522 4449
4.	Manufacturing	Mr. Michael Tsotetsi	Cell: 082 690 1883
5.	Agriculture and Land Reforms	Mr. Sipho Nzimande	Cell: 073 282 9148
6.	Education, Training and Development	Mr. Thokozane Majola	Cell: 076 2202917
7.	Transport and Logistics	Mr. Mkhulu Motloung	Cell: 076 030 3846
8.	Women in Business	Mrs. Bathabile Sithole	Cell: 073 910 9595
9.	Youth in Business	Mr. Siyabonga Buthelezi	Cell: 060 618 6611
10.	Unemployment	Mr. Diphaphang Mokgomatha	Cell: 060 318 3631
11.	NPOs, NGOs and NPCs	Mrs. Nomsa Sibiya	Cell: 083 728 8575
12.	Township and Rural SMMEs	Ms. Palesa Nhlapo	Cell: 064 308 5209

In terms of job creation, the municipality managed to create 604 job opportunities through its Expanded Public Works Grant which amounted to R1 285 000.00, Community Works Programme where 465 jobs were created and 40 local labourer jobs were also created through infrastructure projects through various their various phases.

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Following South African President Cyril Ramaphosa address the Nation on the 16 November 2024 and announced the immediate closure of all tuck shop implicated in the recent food borne illness outbreak that claimed the lives of children's. Measures were decided during a special cabinet meeting, noting that all Spaza shop and food retailers must register with their local municipality within 21 days for Non-compliance that will result to closure of those businesses. There was the subsequent extension of time to 28th February to enable compliance to the passed By-law which invited more applicants to the municipality interested in acquiring license for conducting a business. Business inspections were conducted by the PED from the 13th to the 23rd of June 2025 where notices were issued for business owners to comply to the Township Economies By-law and municipal legislation within a period of 14 days.

At end of the 2024/25 financial year 212 applications were received and compliance was checked in terms of zoning, building plans and certificates of compliance for fire safety and certificate of acceptability as part of the criteria on the application forms.

Despite the above the LED unit has been able to implement the following:

- Registration of SMMEs and Cooperatives on municipal database and capacitating local SMMEs through workshops;
- Annual review of the business licence policy and development of an EPWP policy

Facilitation of workshops to capacitate local SMMEs

COMPONENT D: COMMUNITY& SOCIAL SERVICES [CSPS]

COMMUNITY AND SOCIAL SERVICES

Environmental Health Practitioners (EHP) employees:

The service is provided by the Gert Sibande District Municipality. Two (2) official are deployed to assist in Dipaleseng Local Municipality with various activities including monitoring and ensuring compliance in all business around Dipaleseng.

3.12 LIBRARIES; COMMUNITY FACILITIES; OTHER [CSPS]

INTRODUCTION TO LIBRARIES; COMMUNITY FACILITIES

The primary purpose or function of Dipaleseng Local Municipality Library and information Service is to provide resources and services in a variety of media to meet the needs of individuals and groups for education, information and personal development including recreation and leisure.

The main areas of focus are;

Access to Information, increment in the number of new library membership, free computer and internet service, and Education and awareness outreach programs.

Library also provide services for blind and partially sighted people at the Balfour main library.

There are three libraries in the municipal nodal areas (Balfour, Nthoroane and Grootvlei).

Mobile Library was donated by Eskom to municipality in Nthoroane

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Shared service of staff (DCSR+ DLM) 2 librarians deployed by DCSR, 1 librarian employed by DLM including 01 assistant librarian
The Balfour library is operated on a flexi shift hours to accommodate members of the public.

Table 28: Libraries Policy Objectives [CSPS]

Libraries; Community Facilities; Other Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2022/23		2023/24		2024/25	
		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being							
Improved utilisation of Library Services	Number of Library members utilising the library	5 800	2900	5800	5331	5800	7500
T3. 12.3							

Table 29: Libraries Employees [CSPS]

Employees: Libraries and Community Facilities						
Job Level	2023/24		2024/2025			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
17-18	0	0	0	0	0	0%
16-14	0	0	0	0	0	0%
13-11	4	4	4	4	100%	
10-08	0	1	1	1	100%	
07-05	1	2	2	2	100%	
04-05	0	0	0	0	0	0%
Total	5	7	7	7	100 %	

*Four permanent employees, (2 DCSR, 2DLM).

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Table 30: Libraries Financial Performance

Details	Financial Performance: Library							R'000
	2021/22	2022/23	2023/24	Original Budget	Adjustment Budget	2024/25	Variance to Budget	
Actual	Actual	Actual			Actual			
Total Operational Revenue	1,00	0	-	1	1	17		94%
Expenditure:								
Employees	334	383	405	477	477	647		26%
Repairs and Maintenance	0	0		-	-	-		0%
Other	0	0	-	3	3	-		0%
Total Operational Expenditure	334	383	405	480	480	647		26%
Net Operational Expenditure	333	383	(405)	(479)	(479)	(630)		24%

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

T 3.12.5

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Table 31: Libraries Capital Expenditure [CSPS]

Capital Projects	Year 2024/25					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	-	-	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.12.6

Comment on the performance of libraries;

No capital expenditure was incurred in the year under review.

3.13 CEMETERIES AND CREMATORIUMS

The municipality has a total of nine cemeteries and four have reached a fullest maximum capacity and are closed. Five are operational. There is no official assigned appointed to perform the duties of bookings and monitoring that graves are allocated correctly.

All the active and inactive cemeteries are experiencing operational problems in varying degrees, but mainly as a result of a severe equipment and personnel shortage.

Table 32: Cemeteries Financial Performance [CSPS]

Details	2024/25							R'000
	2021/22	2022/23	2023/24	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	178	-106	221	509	509	388	-31%	
Expenditure:								
Employees	0	0	-	-	-	-	#DIV/0!	
Repairs and Maintenance	0	0	-	-	-	-	0%	
Other	32	40	5	35	35	16	-119%	
Total Operational Expenditure	32	40	5	-	35	16	100%	

Chapter 3

Net Operational surplus/deficit	146	-66	216	-	474	372	100%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.13.5	

Table 33: Cemeteries Capital Expenditure [CSPS]

Capital Projects	Capital Expenditure: Cemeteries					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	-	-	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
T 3.13.6						

Comment on the performance of cemeteries and crematoriums overall:

New cemetery land has been identified in Nthorwane awaiting formalization and relevant studies.

3.14 CHILDCARE; AGED CARE; SOCIAL PROGRAMMES [CSPS]

CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

The programmes and activities in respect of the Mainstreaming of Transversal Issues within the municipality in partnership with various stakeholders. The budgetary constraints remains a major

Challenge in mainstreaming of Transversal issues and working in silos from all sector departments and stakeholders when dealing with transversal issues causes the duplication of programmes targeting the same beneficiaries or audience.

1. OLDER PERSONS'

Stakeholders:

- Masibambane Luncheon Club
- Kagiso Luncheon Club
- Zama Luncheon Club
- Dipaleseng Local Municipality
- Department of Social Development
- Department of Health
- Gert Sibande District Municipality
- Mpumalanga Provincial Legislature

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2. MAINSTREAMING OF CHILDREN'S RIGHTS ISSUES

Stakeholders:

- Dipaleseng Local Municipality
- Gert Sibande District Municipality
- Children
- Stimulation Centres
- Dipaleseng ECD Forum
- Department of Basic Education
- Department of Social Development
- Department of Health
- Mpumalanga Provincial Legislature

3. MORAL REGENERATION ISSUES

Stakeholders:

- Dipaleseng Local Municipality
- Gert Sibande District Municipality
- Faith Based Organisation
- Dipaleseng Pastors' Forum

Service Objectives <i>Service Indicators</i>	Outline Service Targets	2022/2023		2024/25	
		Target	Actual	Target	Actual
Service Objective:					
<i>SDBIP Indicators:</i>		20	13	20	10
	Good governance and public participation	NA	NA	NA	NA

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COMPONENT E: ENVIRONMENTAL PROTECTION [CSPS]

This component includes: Pollution Control; Biodiversity and Landscape; and Costal protection.

ENVIRONMENTAL PROTECTION

This component includes: Pollution Control; Biodiversity and Landscape; and Costal protection.

Environmental protection comprises of human health, including the quality of life, determined by physical biological social and psych-social factors in the environment. It also refers to the theory and practice of ascertaining correcting; controlling and preventing those factors in the environment can have adverse effects to the health of people.

Services provided by the GSDM include the monitoring of all business sites as well as the following:

- Ensure compliance with the NEMA, 59 OF 2008 as amended.
- Conduct awareness campaigns
- Monitor Municipal infrastructure e.g. water, spillages, etc.

3.15 POLLUTION CONTROL [CSPS]

POLLUTION CONTROL

Environmental protection is the practice of protecting the natural environment. Dipaleseng Local Municipality has an air monitoring station and water sampling is done on a monthly basis to ensure that the community receives water that meets the standards of the National Water Act. These roles and responsibility for pollution control is provided by the two (2) District Municipality of GSDM Environmental Health Practitioners (EHP) whose duties include the following:

- Increase awareness to ensure compliance to the National Health Act

Chapter 3

- Ensure compliance to Air Quality Standard by taking reading and monitoring the air quality station on a monthly basis
- Ensure compliance to water quality standard for the community to receive good and healthy water

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

INTRODUCTION BIO-DIVERSITY AND CONVERSATION

This function is performed by Gert Sibande District.

Table 34: Biodiversity, Conversation and Other Policy Objectives

Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP							
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2022/23		2023/24		2024/2025	
		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being							
	Provide safe, healthy and sustainable environment	NA	NA	NA	NA	N/A	N/A
	It is not the competency of the Municipality					T 3.16.3	

Chapter 3

Table 35: Parks and Recreation Employees [CSPS]

Job Level	Parks and recreation					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	%	
17-18	0	0	0	0	0	0%
16 -14	0	0	0	0	0	0%
13 -11	0	0	0	0	0	0%
10 - 08	0	0	0	0	0	0%
07 - 05	1	5	1	1	20%	
04 - 05	0	0	0	0	0	0%
Total	1	5	1	1	20%	

Table 36: Parks and Recreation Financial Performance [CSPS]

Details	2021/22	2022/23	2023/24	2024/25				R'000
				Actual	Actual	Actual	Original Budget	
Total Operational Revenue	—	—	—	—	—	—	—	0%
Expenditure:								
Employees	918	947	1 081	1088	1088	991	—	-10%
Repairs and Maintenance	—	—	—	—	—	—	—	0%
Other	0	0	—	579	579	—	—	0%
Total Operational Expenditure	918	947	1 081	1 667	1 667	991	—	-68%
Net Operational Expenditure	918	947	(1 081)	1 667	1 667	991	—	-68%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>								T 3.16.5

Chapter 3

Table 37: Parks and Recreation Capital Expenditure [CSPS]

Capital Expenditure: Parks and recreation						R' 000
Capital Projects	2024/25					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	R0.00	R0.00	R0.00	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
<i>T 3.16.6</i>						

Comment on the performance of Parks and Recreation overall:

There is only one personnel attached to the section

Comment on the performance of Parks and Recreation overall:

The division provides services with respect to the following components:

- Ensure that all Parks, Sport Facilities, Taxi ranks, Streets are clean and well maintained
- Monitoring and maintaining of the Parks and Recreational facilities
- Development of both children play Parks and adults Parks

Table 38: Parks and Recreation Employees [CSPS]

Job Level	Parks and recreation					
	2022/23		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	%	
17-18	0	0	0	0	0%	
16 -14	0	0	0	0	0%	
13 -11	0	0	0	0	0%	
10 - 08	0	0	0	0	0%	
07 - 05	1	10	1	1	10 %	
04 - 05	0	0	0	0	0%	
Total	0	10	1	1	10%	

Chapter 3

COMPONENT F: HEALTH [CSPS]

This component includes: clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH [CSPS]

Municipal Health service is the competence of the District Municipality. Gert Sibande District Municipality has deployed two (2) Environmental Health Practitioners (EHP) to assist with Environmental Health Services within Dipaleseng Local Municipality.

3.17 CLINICS [CSPS]

INTRODUCTION TO CLINICS

The Province has assumed all responsibility in the Municipal District for the provision of health-care related services such as clinics, ambulance services etc.

3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

Not applicable to this Municipality responsibility with Province

3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

Not a core functions of the Municipality. This function is performed by the District Municipality.

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COMPONENT G: SECURITY AND SAFETY [CSPS]

3.20 TRAFFIC [CSPS]

INTRODUCTION TO TRAFFIC

The main function performed by this division is as follows:

- Increase awareness and enforcement of Traffic and Transport rules and regulations
- Increase awareness of By-laws for compliance purposes
- Manage the delivery of effective and efficient Traffic control and Motor Vehicle licensing services

Table 39: Traffic Statistics

Municipal Traffic Service Data					
	Details	2023/24		2024/25	
		Target	Actual	Target	Actual
1	Number of Traffic Law enforcement activities conducted by 30 June 2025	1620	17452	1620	1620
2	Number of road safety awareness campaigns conducted 30 June 2025	12	7	12	7
3	Number of By-Laws awareness campaign conducted by 30 June 2025	4	4	4	4
4	Number of Licence activities conducted by 30 June 2025	4650	4843	4650	4843

Comments on Traffic and Law Enforcement:

The rendering of services, particularly Traffic and Licensing is effective without any interruption. The Traffic officers are always visible within three nodal points, a duty rooster is developed on a weekly basis to enforce the rules of the road and signs.

The following function are performed by the unit

- Street marking in all nodal points
- Installed Street signs in all nodal points
- Drivers' licenses issued
- Learners' license issued
- Vehicle roadworthy certificates issued
- Registration of cars conducted

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3.21 FIRE

FIRE SERVICES

The division promotes and Increases awareness to ensure compliance with Fire Brigade Act.

The Fire and Rescue Services have personnel strength of five (3) staff members, all Fire fighters. The post of Chief Fire has long been vacant and the recruitment process has started. The service is not operational on a 24-hour basis due to shortage of Personnel and Fire engine. The Division respond partially to Emergency incidents, which include fires, vehicle collisions, entrapments/rescues and various other related special services. The service strives to respond to all emergency calls during operational hours within an hour timeframe from receipt of call to dispatch of the vehicles; currently the goal is to have 100% compliance as a benchmark. The focus of the service will change from a response outlook to that of a preventative nature. During 2024/25 financial year various communique were sent to various stakeholders requesting assistance especially donation of Fire engine to no avail. Coghsta donated a rescue bakkie and a trailer was procured by DLM to complement a skid unit in case of Fire especially during winter seasons.

Table 40: Fire Service Statistics

No.	Details	2023/24		2024/25	
		Target	Actual	Target	Actual
1	Number of community survey conducted in the provision of Emergency Services Municipal wide by 30 June 2025	4	3	4	3
2	Number of incidences reports on informal settlements affected by structural fires by 30 June 2025	4	4	4	3
3	Number of reports on structural fires occurring in informal settlements by 30 June 2025	4	4	4	3
4	Number of part time fire-fighters reservists in the service of the municipality by 30 June 2025	2	0	0	0
5	Number of reports on displaced persons to whom the municipality delivered assistance by 30 June 2025	4	4	4	4
6	Number of awareness campaigns conducted (emergency services) by 30 June 2025	12	12	12	12

Chapter 3

Table 41: Fire Services Policy Objectives [CSPS]

Fire Service Policy Objectives Taken From IDP							
Service Objectives <i>Service Indicators</i>	Outline Service Targets	2022/23		2023/24		2024/2025	
		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being (Safety and Security)							
Improve Reports to Emergency Services	Number of community survey conducted in the provision of Emergency Services Municipal wide by 30 June 2025	12	12	4	3	4	3
Increased dwellings in informal settlement affected by structural fires	Number of incidences reports on informal settlements affected by structural fires by 30 June 2025	N/A	N/A	4	4	4	3
Increased structural fires occurring in informal settlements	Number of reports on structural fires occurring in informal settlements by 30 June 2025	N/A	N/A	2	0	4	3
Conduct awareness campaigns	Number of awareness campaigns conducted (emergency services) by 30 June 2025	16	16	12	12	12	12
						T3. 21.3	

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Table 42: Fire Services Employees [CSPS]

Job Level	Employees: Fire Services				
	Year 2023/24	Year 2024/25			
Fire Fighters	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
17-18	0	0	0	0	0%
16 -14	1	1	0	0	0%
13 -11	0	0	0	0	0%
10 - 08	6	7	5	5	71%
07 - 05	0	0	0	0	0
04 - 05	0	0	0	0	0
Total	7	8	5	5	63%

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Table 43: Fire Services Financial Performance [CSPS]

Details	Financial Performance: Fire Services						R'000	
	Year 2022/23	Year 2023/24	Year 2024/25					
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	-	-	-	-	-	-	0%	
Expenditure:								
Fire fighters	-	-	-	-	-	-		
Other employees							0%	
Repairs and Maintenance	-	-	-	-	-	-	0%	
Other	-	-	-	-	-	-	0%	
Total Operational Expenditure	-	-	-	-	-	-	0%	
Net Operational Expenditure	-	-	-	-	-	-	0%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>							T 3.21.5	

Table 44: Fire Services Capital Expenditure [CSPS]

Capital Projects	Capital Expenditure: Fire Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	R0.00	R0.00	R0.00	R0.00	-	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
						T 3.21.6

Comment on the performance of fire services overall:

None

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3.22 DISASTER MANAGEMENT

DISASTER MANAGEMENT

This is a shared function between Dipaleseng Local Municipality and Gert Sibande District. Dipaleseng local Municipality is legally obliged to prepare a Disaster management plan for its area according to the circumstances prevailing in the area; to co-ordinate and align the implementation of its plan with those of other organs of state and institutional role players; and to regularly review and update its plan.

The Municipality must also consult the Gert Sibande District Municipality and Provincial disaster management Centre on the preparation or amendment of its plan.

Section 53(1) (a) of the Disaster Management Act, 2002 (Act 57 of 2002) requires the Dipaleseng Local Municipality to prepare a disaster management plan for its area according to the circumstances prevailing in the area and within its municipal disaster management framework.

The responsibility for the coordination of the overall implementation of the Disaster management plan is that of the Head of Disaster Management. (Disaster management officer)

PARTICIPATION OF EXTERNAL SERVICES:

Lesedi Local Municipality Control Center number is: 016 330 0400/016 341 4327 requests to be made through observing the protocol, should we have an eventuality which is beyond our control during this period:

Lekwa Local Municipality Fire and Rescue...../082 855 3497(Chief Fire Officer)

- Mr. Maritz Fire and Emergency Services control Centre contact: 017 779 9080
- Mr. Louw Maritz Cell:082 457 1705 (as a last resort)
- Emfuleni Fire Services: 016 440 4000
- Midvaal Fire Services: 016 360 7503
- Sasol control Centre: 0800212 260
- Eskom Grootvlei control Centre: 017 779 8400
- Ekurhuleni control Centre: 011 458 0911

Chapter 3

Table 85: Disaster Management Policy Objective [CSPS]

Fire Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2022/23		2023/24		2024/25	
		Target	Actual	Target	Actual	Target	Actual
Service Objective: Improve community well-being (Disaster Management)							
To develop and implement a comprehensive Disaster Management plan	Functional Disaster Management Centre	100%	100%	100%	100%	100%	100%
							T3.22.3

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Table 45: Disaster Management Employees [CSPS]

Job Level	Employees: Disaster Management Etc.					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
17-18	0	0	0	0	0	0
16 - 14	0	0	0	0	0%	
13 - 11	0	0	0	0	0	
10 - 08	0	0	0	0	0	
07 - 05	0	0	0	0	0	
04 - 05	0	0	0	0	0	
Total	0	0	0	0	0	

-N.B.: This function is performed at the District level

Table 46: Disaster Management Financial Performance [CSPS]

Details	Financial Performance Year: Disaster Management Etc.						R'000	
	2022/23		2023/24		2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
Total Operational Revenue	-	-	-	-	-	-	0%	
Expenditure:								
Employees	-	-	-	-	-	-	0%	
Repairs and Maintenance	-	-	-	-	-	-	0%	
Other	-	-	-	-	-	-	0%	
Total Operational Expenditure	-	-	-	-	-	-	0%	
Net Operational Expenditure	-	-	-	-	-	-	0%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.							T 3.22.5	

Table 47: Disaster Management Capital Expenditure [CSPS]

Capital Projects	Capital Expenditure: Disaster Management					R' 000	
	2024/25						
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value		
Total All	-	-	-	-	0%		

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

T 3.22.6

Comment on the performance of disaster management:

This function it's a responsibility of Gert Sibande district municipality

COMPONENT H: SPORT AND RECREATION [CSPS]

This component includes: Community Parks; Sports fields; Sports Halls; Stadiums; Swimming pools; and Camp sites.

3.23 SPORT AND RECREATION

SPORT AND RECREATION

The Municipality has no post budgeted to provide services in this regard and currently the appointed Transversal Coordinator assumes responsibility for any ad hoc initiatives that are implemented.

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Table 48: S&R Policy Objectives [CSPS]

Service Objectives <i>Service Indicators</i>	Outline Service Targets	2022/23		2023/24		2024/25	
		Target	Target	Actual	Target	Actual	Actual
Community Development and cohesion		Na/	n/a	n/a	n/a	n/a	n/a
						T3. 23.2	

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Table 49: S&R Employees

Job Level	Employees: Sport and Recreation					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
17-18	0	0	0	0	0	
16 -14	0	0	0	0	0	
13 -11	0	0	0	0	0	
10 - 08	0	0	0	0	0	
07 - 05	0	0	0	0	0	
04 - 05	10	0	1	0	0	
Total	0	0	0	0	0	

Table 50: S&R Financial Performance

Details	2022/23	2023/24	2024/25				R'000
			Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-		-	-	-	-	0%
Expenditure:							
Employees	-		-	-	-	-	0%
Repairs and Maintenance	-		-	-	-	-	0%
Other	-		-	-	-	-	0%
Total Operational Expenditure	-		-	-	-	-	0%
Net Operational Expenditure	-		-	-	-	-	0%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>							T 3.23.4

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Table 51: S&R Capital Expenditure [CSPS]

Details	2022/23	2023/24	2024/25			R'000
	Actual	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-		0%
Expenditure:						
Employees	0	0	0	0		0%
Repairs and Maintenance	-	-	-	-		0%
Other	0	-	-	-		0%
Total Operational Expenditure	0	0	0	0		0%
Net Operational Expenditure	0	0	0	0		0%
						T 3.16.5

Comment on the performance of sport and recreation overall:

No financial allocation for the period under review.

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COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES [CS]

CORPORATE POLICY OFFICES

The Office of the Municipal Manager is responsible for Good Corporate Governance and Public Participation; the Finance Department is responsible for financial management and administration; the Corporate Services Department is responsible for general administration, human resources management, ICT, Communication as well as committee secretarial support, whilst the Planning and Development Department administers land-use management and stimulation of economic development; and Community Services and Public Safety administers waste management, emergency services and council properties.

3.24 EXECUTIVE AND COUNCIL [CS]

The Office of the Speaker has performed the following functions:

- Ensure council meets at least quarterly.
- Preside over council meetings.
- Facilitate and liaise with municipal stakeholders.
- Monitor compliance on the implementation of Council resolutions.
- Ensure councillors comply with code of conduct.
- Ensure compliance with council and council committee rules and standing orders

The Office of the Executive Mayor has performed the following functions

- Identify, evaluate and prioritise the needs of the municipality and make recommendations to the council.
- Develop key performance areas against which progress to be measured and evaluated.
- Ensure implementation of policies and by-laws.
- Provide general political guidance over the fiscal and financial affairs (budget) of the municipality.
- Oversee the provision of services to the community.

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Table 52: Mayoral, Council and Special Meetings

Service Objectives <i>Service Indicators</i>	Outline Service Targets	I						
		2022/23		2023/24		2024/25		
		Target	Actual	Target	Actual	Target	Actual	
Meetings Convened by Mayoral Committee								
Democratic and accountable Organization								
Good Governance and Community Participation	Cooperative and Democratic Governance, number of meetings	11	11	11	07	11	11	
		Meetings Convened by Council						
		2022/23		2023/24		2024/25		
		Target	Actual	Target	Actual	Target	Actual	
		4	12	4	12	4	15	
							T3. 24.3	

Table 53: Exec and Council Policy Objectives

Service Objectives <i>Service Indicators</i>	Outline Service Targets	I						
		2022/23		2023/24		2024/25		
		Target	Actual	Target	Actual	Target	Actual	
Meetings Convened by Mayoral Committee								
High Performing Organization								
Improved organizational Performance	Number of mayoral and council meeting convened	11	11	11	11	11	11	
		Meetings Convened by Council						
		2022/23		2023/24		2024/25		
		Target	Actual	Target	Actual	Target	Actual	
		4	12	4	12	4	15	
							T3. 24.3	

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The Mayoral Committee held eleven (11) meetings as planned.

The reports were processed through to Council, which held fifteen (15) meetings including, special sittings for approval of the Budget, IDP Review, Auditor General's Report and Annual Report.

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Table 54: Exec and Council Employees

Employees: The Executive and Council					
Job Level	2023/24	2024/25			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
17-18	0	37	20	17	46%
16 -14	0	57	27	30	53 %
13 -11	0	85	27	55	65 %
10 - 08	0	79	33	27	34 %
07 - 05	0	234	78	186	79%
04 - 05	0	0	0	0	0
Total	6	492	185	315	64 %

Comment on the performance of the executive and Council

The municipality has a total number of 492 positions, the filled positions are 190, with the vacant positions 302 which translates to 61% vacancy rate. These prevailing situation will self-correct during the full implementation of new staff regulation which places strong emphasis on position related to core municipal functions.

Table 55: Exec and Council Financial Performance

Details	2021/22	2022/23	2023/24	2024/25			
				Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	62 430	91 331	102 270	108 769	107 687	98 449	-10%
Expenditure:							
Employees	5 468	5 748	6 993	6 886	8 065	8 116	15%
Repairs and Maintenance	-	-	-				
Other	1 474	1 691	1 658	2 304	2 305	3 098	26%
Total Operational Expenditure	6 942	7 439	8 651	9 190	10 370	11 214	18%
Net Operational Expenditure	55 488	83 892	93 619	99 579	97 317	87 235	-14%
T 26							

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Capital Projects	Capital Expenditure				
	2024/25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	R0.00	R0.00	R0.00	0%	
Project A	-	-	-	0%	

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

T 3.24.6

Comment on the performance of the executive and Council [CS]

The council and its committees are fully functional.

3.25 FINANCIAL SERVICES

FINANCIAL SERVICES

The Department Financial Services is responsible for the delivery of all financial-related services to the Municipality.

This functions were performed.

- Financial guidance.
- Budget, financial statements and related aspects.
- Expenditure management, which includes salaries and wages.
- Income and receivables services.
- Supply chain and logistics management services
- Assets management.

The aim of this Department is to keep the financial position of the Municipality stable and to ensure that it will continue to be able to not only meet its financial commitments but to ensure that economically viable services are rendered to the community on an effective and efficient manner. To maintain the present high standard of financial services the Municipality must adhere to many acts and other legal prescripts, policies, regulations.

Chapter 3

Table 56: Financial Services Employees Needs to be cleaned up

Job Level	Employees: Financial Services					
	2022/23		2023/24		2024/25	
	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.	%
17 -18	2	8	1	1	1	100%
16 - 14	0	8	6	5	5	83%
13-11	2	7	11	11	11	100%
10 - 08	7	0	8	3	3	38%
07-08	0	4	10	8	8	80%
04-03	0	0	0	0	0	0%
Total	11	27	35	28	28	80%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*
T 3.25.4

Table 57: Financial Services Financial Performance

Details	2021/22	2022/23	2023/24	2024/25			
				Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	79048	83775	-	90 644	97 405	90 645	0%
Expenditure:							
Employees	9217	10044	13 806	11 437	11 437	14 984	24%
Repairs and Maintenance	-	37	-	12	12	82	-
Other	40770	24222	-	120 628	136 478	124 575	0%
Total Operational Expenditure	49 987	34 303	13 806	132 077	147 927	139 641	5%
Net Operational Expenditure	29 061	49 472	(13 806)	(41 433)	(50 522)	(48 996)	15%
T 3.25							

Chapter 3

Table 99: Capital expenditure Financial Performance [BTO]

Capital Projects	Capital Expenditure: Financial Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	-	-	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.25.6

3.26 HUMAN RESOURCE SERVICES

HUMAN RESOURCE SERVICES [CS]

The division of Human Resource Services performed the following functions:

- Render human resources conditions of service;
- Manage human resources organisational strategy and planning;
- Manage human resources utilisation and capacity development;
- Render occupational health and safety services;
- Administer human resources management system;
- Coordinate employee health and wellness; and
- Render organisational development and facilitate job evaluation

- The Skills Development Facilitator's function is to develop and submit WSP 2024/25 and Annual Report 2023/24 to LGSETA, and also to submit Employment Equity Report to the Department of Labour. Skills audit was conducted and Skills Audit questionnaire were loaded on the National COGTA gap skills system.

The Occupational Health and Safety function is primary focused on the following:-

- Creating and maintaining a safe working environment
- Preventing workplace accidents

A major obstacle in achieving these primary objectives was among other things, insufficient budget, uncondusive working environment, lack of resources.

Chapter 3

Employee Wellness is based on the premise that “People who are well work well”. In this context, Employee Wellness entails all the strategies, action plans and methods used to promote physical, emotional and mental health of employees. Substance abuse and especially Alcohol Abuse must be continuously addressed within the municipality by means of raising awareness, identifying peer counselors and external referrals. Employees experiencing difficulties must be referred for substance abuse rehabilitation mainly within Gert Sibande District. In support of these initiatives, managers and supervisors should be workshopped by the Rehabilitation Centre on the management of substance abuse in the workplace. A Drug and Alcohol Support Group must be initiated to provide further assistance to staff members that are undergoing rehabilitation.

In certain instances employees experiencing distress as result of emotional, psychological or relationship difficulties which can result to direct impact on work performance or result from work-related incidents, employees should receive internal counselling and in severe cases they must be referred to external counselling or psychological intervention. Post-Traumatic Stress and Incident Debriefing sessions must be arranged where there is a need. During financial year 2024/2025 medical aids conducted awareness campaigns to employees to encourage them with their well-being.

Chapter 3

Table 58: HR Policy Objectives [CS]

Human Resource Services Objectives Taken From IDP							
Service Objectives	Outline Service Targets	2022/23		2023/24		2024/25	
		Target	Actual	Target	Actual	Target	Actual
Objective: High Performing Organisation							
Improved Organizational performance	Number of strategic position filled	6	2	6	0	4	4
	Number of Skills Development Programme submitted	48	36	51	46	52	34
	Number of performance agreement signed	6	6	6	6	6	6
	Hr. policy universe reviewed by May 2024	15	15	16	16	16	16
T3.71.3							

Comment on the performance of Human Resource Services overall:

During financial year 2024/25 the Human Resources Management managed to recruit fourteen (16) employees including the key strategic posts of senior managers. The Human Resource policies were reviewed and approved by Council under item C159/05/24. The workplace Skills plan was developed and implemented, Thirty (30) employees were trained including 4 Councilors and 20 unemployed learners during the financial under review). The (05) LLF meetings were convened during the financial year under review.

All senior Managers and Line Managers signed performance agreement.

Chapter 3

Table 59: HR Employees

Job Level	Employees: Human Resource Services					
	2023/24		2024/25			
	Employees	Posts	Employees	No.	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
No.	No.	No.	No.	No.	%	
17 -18	1	3	2	2	2	67%
16-14	4	5	3	3	3	60%
13 -11	0	5	5	5	5	100%
10 - 08	0	12	4	4	4	33%
07 - 05	0	8	3	3	3	38%
04 - 03	0	0	0	0	0	0%
Total	5	33	17	17		52 %

Table 60: HR Financial Performance [CS] [BTO]

Details	R'000							
	2021/22	2022/23	2023/24	2024/25				
	Actual	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	-	-	-	-	-	-	-	-
Expenditure:								
Employees	9132	9667	7 944	663	663	9 573	93%	
Repairs and Maintenance	-	223		290	290	108	-	
Other	11844	17913	-	10 395	10 395	33 759	0%	
Total Operational Expenditure	20976	27803	7 944	11 348	11 348	43 440	74%	
Net Operational Expenditure	20976	27803	7 944	11 348	11 348	43 440	74%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Actual.								T 3.26.5

Chapter 3

Table 61: HR Capital Expenditure [CS] BTO

Capital Projects	2023/24					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	R0.00	-	R0.00	R0.00	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
						T 3.26.6

Comment on the performance of Human Resource Services overall:

None

Job Level	Employees: The Executive and Council					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
	No.	No.	No.	No.		
	17 -18	3	7	3	4	57%
	16 -14	2	4	2	2	50%
	13 -11	1	1	1	0	0%
	10 - 08	0	0	0	0	0
	07 - 05	0	0	0	0	0
	04 - 03	0	0	0	0	0
Total	6	12	6	6		50%

Chapter 3

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES [CS]

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information and Communication Technology services is responsible for the provision of integrated ICT Support which includes acquisition of telephone system, mobile phones, internet connectivity, end-user support, systems administration and ICT infrastructure. During the financial year under review the ICT steering committee was resuscitated and functional.

The Municipality has experienced the following challenges

- Lack of ICT infrastructure back up system during load shedding
- Lack of integrated ICT systems
- Fibre reticulation
- Vacant unfunded post of ICT manager
- Lack of ICT strategy

The ICT policies were reviewed and approved by Council under item **C42/05/25**. The project on ICT has been implemented which includes the Installation of Infrastructure network system, Software and procurement of 40 Microsoft license.

The ICT Unit plays a significant role in the organisation and it needs to be prioritised .The provision of budget should be made to fill the vacant post of ICT Manager and Development of ICT Strategy will assist the organisation to improve the functionality of ICT unit

Chapter 4

Table 62: ICT Policy Objectives [CS]

		Outline Service Targets	ICT Services Objectives Taken From IDP					
			2022/23		2023/24		2024/25	
Service Objectives	Service Indicators		Target	Actual	Target	Actual	Target	Actual
Strategic Goal: High Performing Organisation								
Improved Organisational Performance	Number of steering committee meeting convened		4	2	4	2	4	4
	ICT Policy universe reviewed by 2025		7	0	7	0	7	7
								T3. 27.3

Chapter 4

Table 104: Employees

Job Level	Employees: ICT Services					
	2023/24		2024/25			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
17 - 18	0	0	0	0	0%	
16 - 14	1	1	1	1	100%	
13 - 11	1	2	1	1	50%	
10 - 08	0	0	0	0	0%	
07 - 05	0	0	0	0	0%	
04 - 03	0	0	0	0	0%	
Total	2	3	2	2	67%	

Table 63: ICT Financial Performance [CS] BTO

Details	2022/2023	2023/24	2024/25			
	Actual	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	-	#DIV/0!
Expenditure:						#DIV/0!
Employees	-	-	-	-	-	#DIV/0!
Repairs and Maintenance	-	-	-	-	-	#DIV/0!
Other	-	-	-	-	-	#DIV/0!

Chapter 4

Total Operational Expenditure	-	-	-	-	-	-	#DIV/0!
Net Operational Expenditure	-	-	-	-	-	-	#DIV/0!
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>							T 3.27.5

Table 64: ICT Capital Expenditure

Capital Projects	2024/25					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	-	-	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
						T 3.27.6

Comment on the performance of ICT services overall:

None

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3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

RISK MANAGEMENT

The risk management, Anti-fraud & Anti-corruption Committee (RMAFACC) is in place and functional, chaired by an independent chairperson. The committee is required to sit quarterly (4 times a year) and as and when a need arises to monitor the implementation of mitigating strategies. The RMAFACC plays an oversight role in all risk management activities and other risk sensitive matters such as ICT, Legal, Procurement and Property management within the municipality.

LEGAL SERVICES- [CS]

LEGAL SERVICES

The objective of Legal Services is to provide efficient and effective legal service to DLM. The top three services delivered includes litigation, labour relations and contract management.

The Municipality experienced an increase in litigation as well as labour relations disputes against the municipality, where possible the Municipality attempted to settle matters thus avoiding long and costly litigation. Problem areas identified included inadequate implementation of contract management, lack of legal services framework.

The Legal unit consists of three positions i.e. (Legal manager; Legal officer and Researcher and during the financial year under review a Legal Manager was successfully appointed on the 2nd May 2024.

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PROPERTY MANAGEMENT (CSPS)

Property management is going through some transformation aimed at reorganising the processes, systems and structures to maximise efficiency. The transformation process involves the transfer of certain aspects of property management from Planning and Development to Community Services and Public Safety.

Chapter 4

Table 65: Legal Employees [CS]

Employees: Legal, Risk Management and Procurement Services					
Job Level	2023/24	2024/25			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
17 -18	1	2	1	1	50%
16-14	0	1	0	1	100%
13-11	0	0	0	0	0%
10-08	0	0	0	0	0%
07 - 05	0	0	0	0	0%
04 - 03	0	0	0	0	0%
TOTAL	1	3	1	0	50%

Source:

T3. 28.4

Table 66: Legal Financial Performance BTO

Details	2023/2024	2024/25				R'000
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	0	0	0	0	#DIV/0!	
Expenditure:					#DIV/0!	
Employees	0	0	0	0	#DIV/0!	
Repairs and Maintenance	0	0	0	0	#DIV/0!	
Other	0	0	-	-	#DIV/0!	
Total Operational Expenditure	0	0	-	-	#DIV/0!	
Net Operational Expenditure	0	0	-	-	#DIV/0!	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.28.5

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Comment on the performance of Legal, Risk Management and Procurement Services overall:

The Risk management committee has been resuscitated and functional. The Strategic and operational risk register has been reviewed and implemented. The Municipality still faced with high number of litigation, however proper systems have been put in place to manage all legal matters. During the financial year under review, there was irregular expenditure incurred due to non-compliance with supply chain regulations due to lack of segregations of duties, however the Municipality has developed and implemented systems on financial risk management and internal audit to improve the performance of the organisation.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD [MM]

INTRODUCTION MM

ANNUAL PERFORMANCE REPORT

Compiled in terms of section 46 of Municipal System Act of 2000 –amended in 2003.

CHAPTER 1: INTRODUCTION & OVERVIEW OF PERFORMANCE MANAGEMENT

This Annual Performance Report is drafted in terms of Section 46 of the Municipal Systems Act, 32 of 2000. **The Annual Performance Report 2024/2025** is based on reported information only, and un-audited. The report is subject to change during and after the audit from the Auditor-General (AG) of South Africa.

The Annual Performance Report is hereby submitted to the Dipaleseng Municipal Council in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting.

This report covers the performance information from **01 July 2024 to 30 June 2025** and focuses on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review.

The format of the report will reflect on the overall municipal performance as per the Six (6) Municipal Key Performance Areas (KPA's) as adopted in the Integrated Development Plan (IDP).

1.1 LEGISLATIVE REQUIREMENTS

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an “accountable government”.

The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the following principles of *inter alia*:

- the promotion of efficient, economic and effective use of resources,

Chapter 4

- accountable public administration · to be transparent by providing information,
- to be responsive to the needs of the community,
- to facilitate a culture of public service and accountability amongst staff.

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

(1) A municipality must prepare for each financial year a performance report reflecting—
(a) *the performance of the municipality and each external service provider during that financial year;*
(b) *a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and* (c) *measures taken to improve performance.*

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “A Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.” Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers and the Municipal Entities.

1.2 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

The Performance Management System implemented at Dipaleseng Local Municipality is intended to provide a comprehensive, step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PMS serves as primary mechanism to monitor, review and improve the implementation of the municipal IDP and eventually the budget.

The performance management policies, as approved by Council provides for performance implementation, monitoring and evaluation at organizational as well as individual levels. The Executive Mayor in consultation with the Municipal Manager identify and priorities Key Performance Indicators, which will be monitored during the year and forming part of the Performance Agreements /Departmental SDBIP’s of each Section 56 Manager.

For financial year 2024/25, a total of 164 indicators were identified for the High level Scorecard on which reporting was done.

1.3 PERFORMANCE MANAGEMENT AT ORGANISATIONAL LEVEL

The organisational performance is evaluated by means of a High level Municipal Scorecard (Top Layer SDBIP) at organisational level and through the Departmental Service Delivery Budget and Implementation Plan (SDBIP) at Departmental levels.

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The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the Municipality is implemented. It also allocates responsibility 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 next 12 months
- SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The municipal scorecard (High- level SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities.

The departmental SDBIP capture the performance of each defined department which reflects on the strategic priorities of the municipality.

The SDBIP provides detail of each outcome for which the senior management is responsible for, in other words a comprehensive picture of the performance of that department/sub-section

Unlike the municipal scorecard, which reflects on the strategic performance of the municipality, the departmental SDBIP provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that departments/sub sections.

Departmental scorecards are compiled by senior managers for their directorate and consists of objectives, indicators and targets derived from the approved High-level SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

1.4 PERFORMANCE MANAGEMENT AT INDIVIDUAL LEVEL

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance-based agreements with the all s56-employees and that performance agreements must be reviewed annually. The process and the format are further regulated by Regulation 805 (August 2006).

The Municipal Manager and Managers directly accountable to the Municipal Manager signed performance agreements for the financial year 2023/24 as legislatively required. The signed performance agreements were loaded on the municipal website and also sent to National Treasury and Provincial departments.

This has led to a specific focus on service delivery and means that:

- ❖ Each Sec 56 Manager has to develop a performance plan informed by the IDP and the top layer SDBIP of the organization

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- ❖ At the beginning of each financial year all the senior managers (Section 56 employees) sign Performance Agreements.
- ❖ All Managers reporting to Section 56 employees are also reporting on their specific sections and evaluations are done accordingly on performance per subsection.

CHAPTER 2: EXECUTIVE SUMMARY

The Annual Performance report as compiled reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2024/25

- The Municipal Scorecard 2024/2025, which consist of a total of 164 indicators were developed and approved by the Executive Mayor on 20 June 2024.
- The Municipal Scorecard indicators are spread and linked across Six (6) Key Performance Areas (KPAs) for the 2024/2025 financial year.
- Performance agreements were signed for section 56 managers as required legislatively.
- The signed performance agreements were loaded on the municipal website and also sent to National treasury.

Detailed performance of the overall Municipal performance for the financial year 2024/2025 as per the High level SDBIP 2024/2025 are included as **APPENDIX A** to provide an overall picture of performance in the municipality.

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:

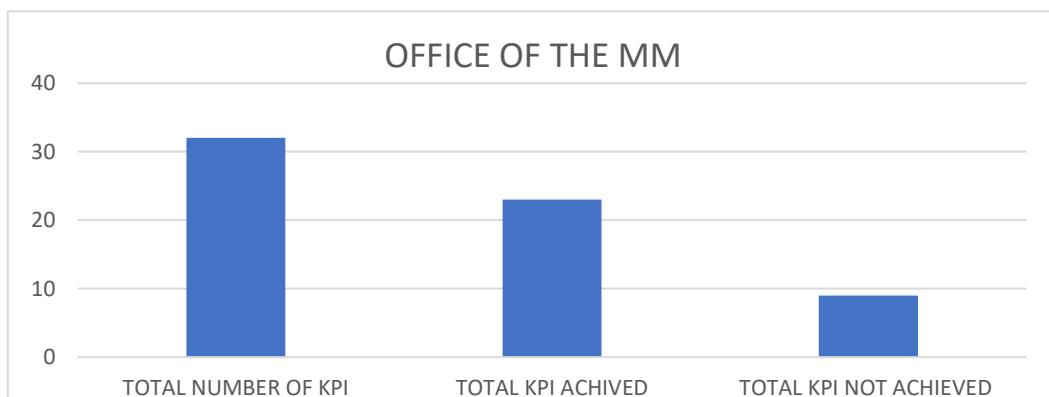
The following table compares the overall performance for the 2024/2025, 2023/2024 and 2022/2023 financial year.

COLOUR CODED STATUS	2022/2023 PERFORMANCE	2023/2024 PERFORMANCE	2024/2025 PERFORMANCE
Green – KPI Achieved	42%	52%	66%
Red – KPI Not Achieved	58%	48%	34%

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2.1 KPA 1: MUNICIPAL TRANSFORMATION AND GOOD GOVERNANCE

TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
29	26	3	90%

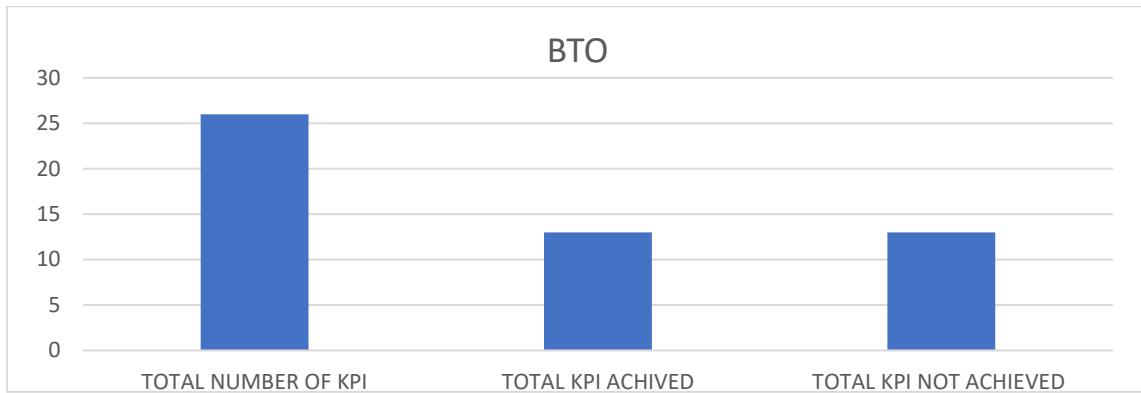


The Municipality was able to fill outstanding Section 56 positions in the 2024/2025 financial year. The Municipality will endeavor to fill all vacant positions in the 2024/2025 financial year to enable the The Municipal Staff Regulations Implementation Plan, as approved by Council, will endeavor to cascade performance management as a phased-in approach to all levels of staff. Internal Audit and Risk Management remains the focus of the Office of the Municipal Manager to ensure that underperformance is identified in advance and operational and strategic risks are identified and mitigated within the capabilities and resource availability of the Municipality.

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2.2 KPA 2: MUNICIPAL FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT

TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
26	13	13	50%



The Municipality faced severe financial challenges in the 2024/2025 financial year due to non-payment from consumers due to the high rate of unemployment and poverty levels in the municipal area.

The Municipality endeavored to improve the Auditor-General Audit Opinion, the Municipality has managed to achieve an unqualified Audit Opinion of which is the great improvement.

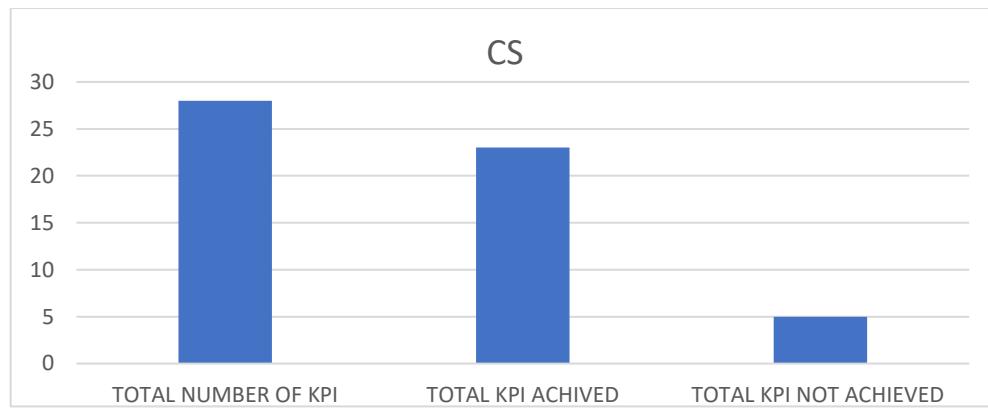
An Audit Action Plan was subsequently formulated, and an indicator was approved for each department to ensure that the Audit Action Plan was implemented during the financial year.

The organisation will continue in the 2025/2026 financial year to explore possible cost containment and revenue enhancement strategies to ensure that debt collection improves and cash and cash equivalents are available to improve the liquidity position of the Municipality.

2.3 KPA 3: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
28	23	5	82%

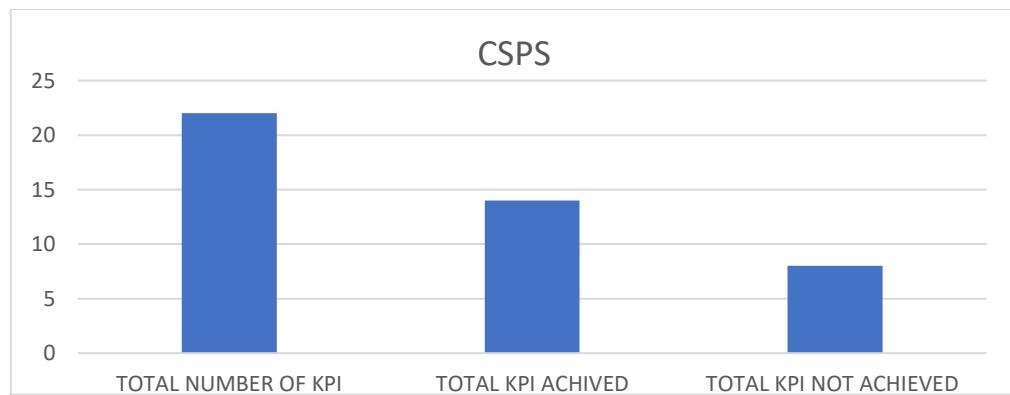
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The Municipality was able to fill 2 remaining senior management posts of the critical positions in the organisation in the 2024/2025 financial year.

2.4 KPA 4: 4.1 BASIC SERVICE DELIVERY

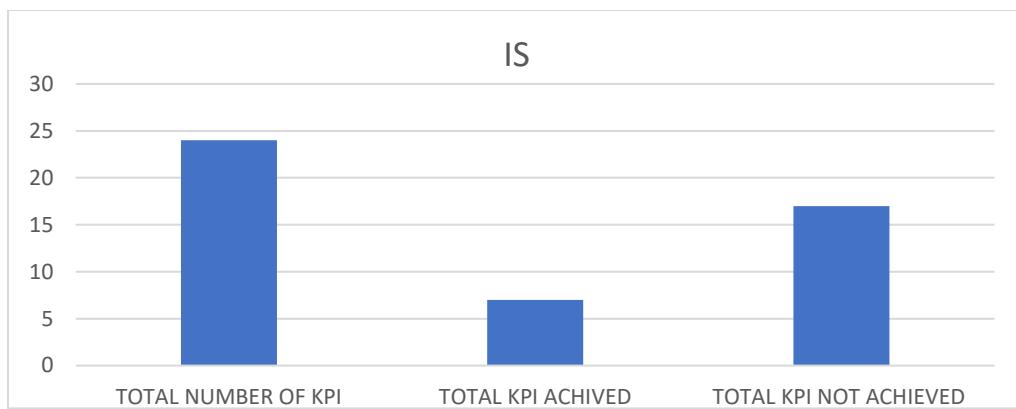
TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
25	16	9	64%



2.5 KPA 4: 4.2 BASIC SERVICE DELIVERY

TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
24	7	17	29%

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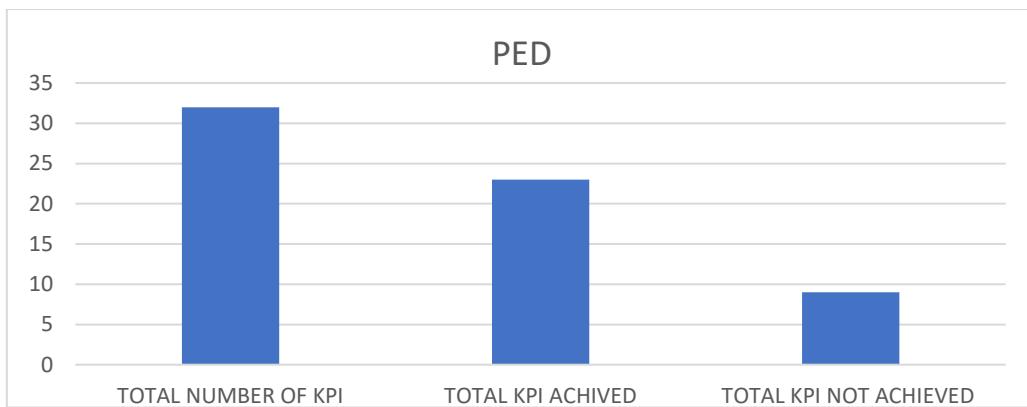
The municipality continues to provide basic services to the community, however there are challenges as a result of theft, vandalism and aging infrastructure.

The Municipality was unable to achieve all the KPI's in basic service delivery due to financial constraints. The municipality continued to render excellent community services through the provision of library services in the region. The average number of library visits across the 3 libraries in the municipal area for the financial year.

Social cohesion activities were undertaken during 2024/205 FY, including Gender Based Violence awareness campaigns, youth indaba and sports tournaments.

2.6 KPA 5: SPATIAL RATIONALE AND MUNICIPAL PLANNING

TOTAL NUMBER OF TARGETS	NUMBER OF KPIs ACHIEVED	NUMBER OF KPIs NOT ACHIEVED	OVERALL PERCENTAGE
32	24	8	75%



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The Municipality was unable to achieve its targets on the formalization of informal settlements and handover of Title Deeds due to factors outside the control of the municipality. Various delays were experienced in technical studies and delays from the Department of Human Settlements.

The Integrated Development Plan of the Dipaleseng Local Municipality was reviewed and successfully adopted by the Municipal Council before 30 June 2024.

LED Forum remains a challenge due to contestation of space amongst LED members which hampers scheduled meetings.

SMME and Cooperative initiatives were enhanced in the 2024/2025 financial year through the hosting of 5 capacity building workshops.

The Municipality successfully created 1005 EPWP/CWP job opportunities in the financial year in an effort to alleviate poverty in the region.

CONCLUSION

Through effective performance management, the implementation of the approved audit action Plan, appointment of senior management and portfolio of evidence to corroborate achievements reported per quarter, the Municipality was able to improving its Performance during the 2024/2025 financial year.

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

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES [CS]

Table 67: Vacancy Rate

Occupational Levels	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	
Top management	5	0	0	0	1	0	0	0	0	0	6
Senior Management	4	0	0	0	5	0	0	0	0	0	9
Professionally qualified and experienced specialists and mid-management	2	0	1	0	4	0	0	0	0	0	7
Skilled technical and academically qualified	20	0	0	0	20	0	0	1	0	0	41

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workers, junior management, supervisors, foreman and superintendents											
Semi-skilled and discretionary decision	34	0		0	34	0	0	0	0	0	68
Unskilled and defined decision making	46	0	0	1	16	0	0	0	0	0	61
TOTAL PERMANENT	110	0	1	1	79	0	0	1	0	0	192
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
Interns	2	0	0	0	2	0	0	0	0	0	4
GRAND TOTAL	112	0	1	1	81	0	0	1	0	0	196

The above table depicts a high population of African males and the Municipality must implement Employment Equity Plan in order to redress the gender and also consider to recruit people from designated groups.

Table 68: Vacancies in 2024/25[CS]

Vacancy Rate: 2024/25				
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category)	%
Municipal Manager	1	0		0%
CFO	1	0		0%
Other S57 Managers (excluding Finance Posts)	4	Over two years		0%
Other S57 Managers (Finance posts)	5	0		0 %
Traffic officers	20	13		65 %
Fire fighters	12	7		58 %
Senior management: Levels 1 (excluding Finance Posts)	12	4		33.3 %
Senior management: Levels 1(Finance posts)	1	1		100 %
Highly skilled supervision: levels 3 (excluding Finance posts)	57	17		30. %
Highly skilled supervision: levels 3(Finance posts)	5	0		0.%
Total	124	40		32.2 %

Figure 6: Vacancy rate

Chapter 4

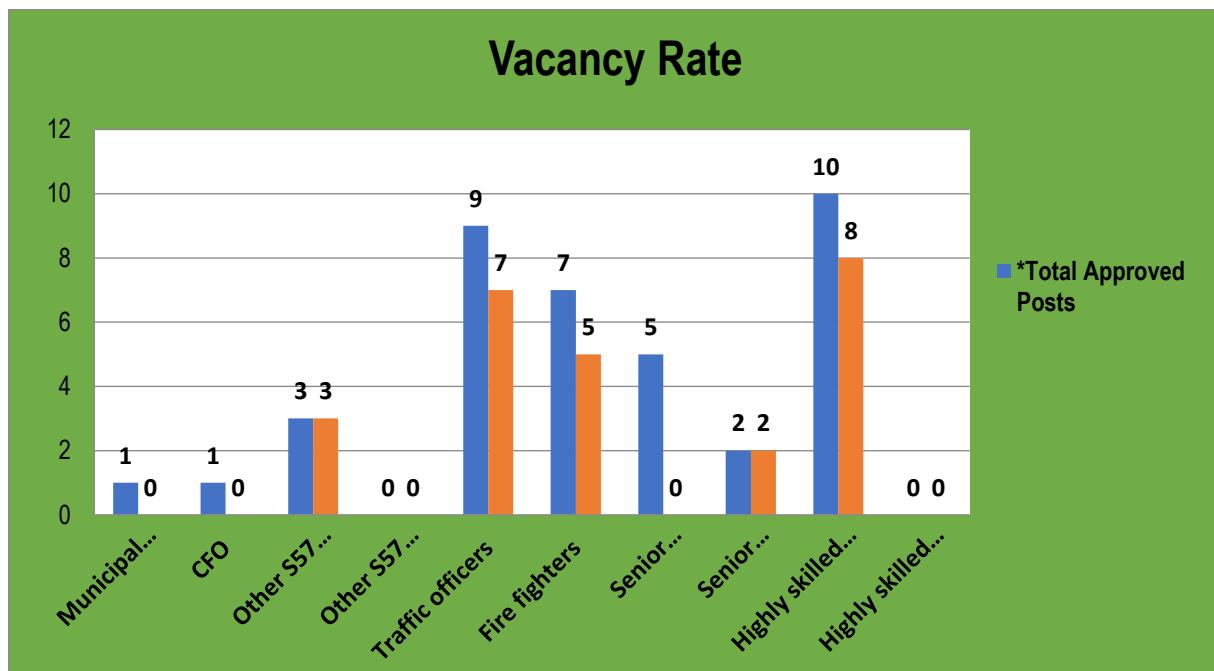


Table 69: Turn-over Rate [CS]

Turn-over Rate 2024/25			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
2024/25	22 (190)	16	72%
2023/24	04 (185)	09	4,8%
2022/23	18 (185)	11	5,9%

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

T 4.1.3

Comment on vacancies and turnover:

- Vacant funded critical posts are filled on an on-going basis.
- The Municipality is unable to attract and retain the scarce and critical skilled people due to competitive salary scale in the market.
- The termination of sixteen (16) employees was as a result of resignation, death and employees reaching retirement age.

Chapter 4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE [CS]

MUNICIPAL WORKFORCE MANAGEMENT

The Municipality has created a healthy, safe and productive work environment underpinned by an Organizational culture that supports the realization of the IDP/ Budget, Batho Pele code and other strategic objectives of the organization.

The Municipality complied with the SALGBC Collective Agreements and reviewed HR policies on workforce management that were submitted to Council for approval during financial year 2024/25 under item C159/05/24.

4.2 POLICIES [CS]

Table 70: HR Policies and Plans

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Employment Equity	100%	100%	23 May 2024 –Resolution C159/05/24
2	Retention	100%	100%	23 May 2024 –Resolution C159/05/24
3	Code of Conduct for employees	100%	100%	As per municipal System Act
4	Delegations, Authorization & Responsibility	100%	100%	Approved by Council –C
5	Disciplinary Code and Procedures	100%	100%	SALGBC Collective Agreement
6	Essential Services	0%	0%	N/A
7	Employee Assistance / Wellness	50%	50%	Policy to be developed
8	Employment Equity	100%	100%	23 May 2024 –Resolution C159/05/24
9	Exit Management	0%	N/A	N/A
10	Grievance Procedures	100%	N/A	SALGBC Collective Agreement
11	HIV/Aids	100%	100%	23 May 2024 –Resolution C159/05/24
12	Human Resource and Development plan	100%	100%	23 May 2024 –Resolution C159/05/24
13	Information Technology	100%	100%	23 May 2024 –Resolution C159/05/24
14	Job Evaluation	0%	0%	Process of JE its done by GSDM
15	Leave	100%	100%	23 May 2024 –Resolution C159/05/24
16	Occupational Health and Safety	100%	100%	28 May 2025 –Resolution C42/05/25
17	Official Housing	100%	100%	SALGBC Collective Agreement

Chapter 4

18	Official Journeys	0%	N/A	N/A
19	Official transport to attend Funerals	0%	N/A	N/A
20	Overtime policy	100%	100%	23 May 2024 –Resolution C159/05/24
21	Organisational Rights	100%	100%	SALGBC Collective Agreement
22	Payroll Deductions	100%	100%	SALGBC Collective Agreement
23	Performance Management and Development	100%	100%	23 May 2024 –Resolution C159/05/24
24	Recruitment, Selection and Appointments	100%	100%	23 May 2024 –Resolution C159/05/24
25	Remuneration Scales and Allowances	100%	100%	SALGBC Collective Agreement
26	Resettlement	0%	0%	N/A
27	Sexual Harassment	0%	0%	N/A
28	Training and Development policy	0%	0%	23 May 2024 –Resolution C159/05/24
29	Placement policy	0%	0%	23 May 2024 –Resolution C159/05/24
30	Special Skills	0%	0%	N/A
31	Work Organisation	0%	0%	N/A
32	Dress code policy	0%	0%	23 May 2024 –Resolution C159/05/24
33	Funeral Policy	100%	100%	23 May 2024 –Resolution C159/05/24
34	Transfer policy	100%	100%	23 May 2024 –Resolution C159/05/24
35	Danger Allowance	100%	100%	23 May 2024 –Resolution C159/05/24
36	Transport and Subsistence policy	100%	100%	23 May 2024 –Resolution C159/05/24
37	Cell phone policy	100%	100%	23 May 2024 –Resolution C159/05/24
	Other:			

Comment on workforce policy development:

The Council in its sitting held on the 23rd May 2024 under item C159/05/24 has approved 16 HR Policies for implementation in the financial year 2024/25.

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4.3 INJURIES, SICKNESS AND SUSPENSIONS [CS]

Table 71: Cost of Injuries in Duty 2024/2025

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

T 4.3.1

Comment on injuries, sickness and suspensions:

No Fatality, Temporary, Permanent disablement injuries were reported during the period under review.

Table 72: Cost Sick Leave [CS] 2024/2025

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave Days	Proportion of sick leave without medical certification %	Employees using sick leave No.	Total employees in post*	*Average sick leave per Employees Days	Estimated cost R' 000
Lower skilled (Task grade 04-06)	55	0%	39,6 %	58	2	
Skilled (Task grade 07-11)	387	0%	22,6 %	87	4	
Highly skilled production (Task grade 12-13)	106	0%	24,4 %	25	4	
Highly skilled supervision (Task grade 14-16)	14	0%	24,2 %	15	4	
Middle management (Task grade 17-18)	13	0%	34,6 %	8	2,8	
MM and S57	07	0%	%	6		
Total	582	0%	145,4 %	199	30	

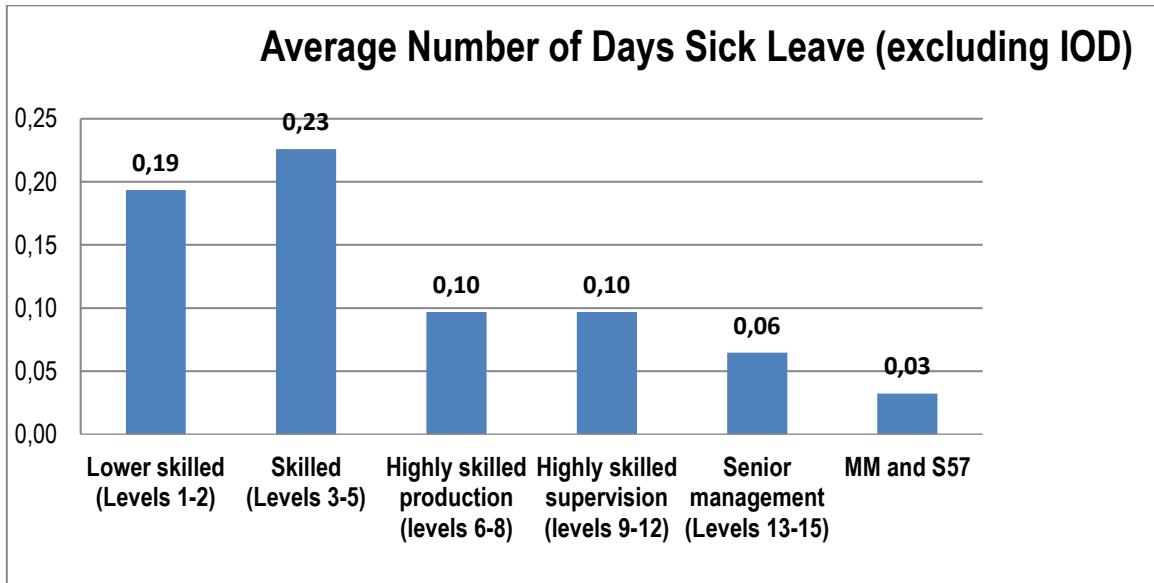
* - Number of employees in post at the beginning of the year

*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2

Chapter 4

Figure 7: Average Number of Days Sick Leave [CS]



Comment on injury and sick leave: [CS]

No injury on duty occurred in this financial year.

Table 73: Periods of Suspension

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Supervisor (Water and Sanitation)	Bringing municipality into disrepute	November 2024	Matter was finalised.	Finalised
Plant Operator	Insolent	Employee was not suspended	Disciplinary proceedings are still in progress	Still in process
Budget and Treasury employees X3	Insubordination	14 February 2025	Disciplinary proceedings are still in progress	Still in process

T 4.3.5

Chapter 4

Table 74: Disciplinary Action

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
	Not Applicable	Not Applicable	
T 4.3.6			

Comment on suspensions and cases of financial misconduct:

During the financial year under review, five (5) cases of misconduct were reported,

- Three (3) employee (BTO) were suspended and Disciplinary hearing is still underway.
- Only one matter has been finalised.(Supervisor Water)
- Plant Operator case (Disciplinary hearing still on-going)

4.4 PERFORMANCE REWARDS [CS]

Table 75: Performance Rewards

Designations	Performance Rewards By Gender				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Task grade 04-06)	Female	0	0	0	0
	Male	0	0	0	0
Skilled (Task grade 07-11)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled production (Task grade 12-12)	Female	0	0	0	0
	Male	0	0	0	0
Highly skilled supervision (Task grade 14-16)	Female	0	0	0	0
	Male	0	0	0	0
Middle management (Levels 17-18)	Female	0	0	0	0
	Male	0	0	0	0
MM and S57	Female	0	0	0	0
	Male	0	0	0	0

Comment on performance rewards:

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During financial under review no performance rewards were processed.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE [CS]

WORKFORCE CAPACITY DEVELOPMENT

In terms of Government Gazette No 27801 of 18 July 2005 as amended by Government Notice No. R88 published in Government Gazette No. 29584 of 2 February 2007, the Dipaleseng Local Municipality is obliged to submit a workplace skills plan and ATR to the Local Government SETA in order to access the conditional grants not later than 30 April each year.

- The Workplace Skills Plan 2024/2025 and Annual Training Report 2023/2024 were tabled to the Training Committee Meeting on the 24 April 2024 for consultation with organised labour and submitted to LGSETA on the 31 April 2024.
- Thirty (30) employees were trained, Four (4) Councilors and Nine (9) Work Integrated learning (WIL) during the financial under review

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4.5 SKILLS DEVELOPMENT AND TRAINING

Table 76: Skills Matrix

Skills Matrix						
Management Level	Gender	Employees in post as 30 June 2025	Number of Skills Required and actual as at 30 June 2025			
			No.	2024/25	2024/25	2024/25
MM and S56	Female	1	0	0	0	0
	Male	1	0	0	0	0
Managers	Female	4	1	1	0	2
	Male	5	0	2	0	2
Councillors	Female	4	0	0	0	0
	Male	8	0	4	0	4
Professionals	Female	5	1	0	0	1
	Male	3	0	4	0	4
Technicians and associate professionals			0	0	0	0
	Female	1	0	0	0	0
	Male	1	0	1	0	1
Cleric and Administrative Workers			0	2	0	2
	Female	19	0	0	0	0
	Male	8	0	0	0	0
Sales and Service Workers		11	0	0	3	3
	Female	14	0	0	4	4
Supervisors, Machine operators and Drivers		3	1	0	0	1
	Male	34	4	0	0	4
General Workers	Female	14	0	0	0	0
	Male	56	4	0	0	4
Intern	Female	2	0	0	1	1
	Male	2	0	0	1	1
Sub-Total	Female	67	3	2	4	10
	Male	134	8	8	5	24
Total		201	11	10	9	34

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Comment on Skills Development:

During the financial year under review, 34 training intervention were achieve despite insufficient budget allocation to cover for all training needs that were identified in the WSP 2024/2025.

Table 77: Financial Competencies Development

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	4	0	4	4	4	4
<i>Any other financial officials</i>	0	0	0	0	0	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	0	0	0	0	0	0
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	6	0	6	6	6	6

Comments

All HOD's possess completed competency assessments.

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Table 78: Skills Development Expenditure

Management level	Gender	Employees as at the beginning of the financial year 2024/25	Skills Development Expenditure								R250'000	
			Original Budget and Actual Expenditure on skills development Year 2024/2025									
			Learnerships		Skills programmes & other short courses		Other forms of training		Total			
No.			Planned	Actual	Planned	Actual	Planned	Actual	Original Budget	Actual		
MM and S57	Female	1	1	0	0	0	1	0	R0.00	R0.00		
	Male	5	5	0	2	0	1	0	R0.00	R0.00		
Legislators, senior officials and managers	Female	8	7	1	0	0		0	R0.00	R0.00		
	Male	12	6	0	8	5	0	0	R0.00	R0.00		
Professionals	Female	4	1	1	6	4	2	0	R0.00	R0.00		
	Male	3	1	0	0	1	2	0	R0.00	R0.00		
Technicians and associate professionals	Female	1	1	0	0	0	0	0	R0.00	R0.00		
	Male	1	1	0	0	0	0	0	R0.00	R0.00		
Clerks	Female	19	4	2	0	0	0	0	R0.00	R0.00		
		8							R0.00	R0.00		
	Male		2	0	0	0	0	0				
Service and sales workers	Female	15	2	0	0	0	3	3	R 8000	R8000		
	Male	14	5	0	5	0	5	4	163 204	163 204		
Plant and machine operators and assemblers	Female	3	2	1	0	0	0	0	0	0		
	Male	34	5	4	1	0	4	0	42 989	42989		
Elementary occupations	Female	14	6	0	1	0	2	0	0	0		
	Male	56	8	4	1	0	6	2	96 000	96 000		
Sub total	Female	67	24	3	7	2	9	4	8000	8000		
	Male	134	33	8	17	8	17	5	302 193	302 293		
Total		204	57	11	24	10	26	9	310 193	310 193		

Comments

Most of the courses are paid for by the different stakeholders' i.e. SALGA, CoGHSTA and LGSETA. Municipal is responsible for accommodation and traveling cost of the employees and councillors.

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4.6 EMPLOYEE EXPENDITURE [CS]

Table 79: Increases Salaries

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded				
Beneficiaries	Gender	Total		
Lower skilled (Levels 1-2)	Female	n/a		
	Male	n/a		
Skilled (Levels 3-5)	Female	n/a		
	Male	n/a		
Highly skilled production (Levels 6-8)	Female	n/a		
	Male	n/a		
Highly skilled supervision (Levels 9-12)	Female	n/a		
	Male	n/a		
Senior management (Levels 13-16)	Female	n/a		
	Male	n/a		
MM and S 57	Female	n/a		
	Male	n/a		
Total				
Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None				

Table 80: Post Appointed not Approved

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	n/a	n/a	n/a	n/a

T 4.6.4

Comment on upgraded posts and those that are at variance with normal practice:

The municipality advertises every new position and interested employees may apply as per policy.

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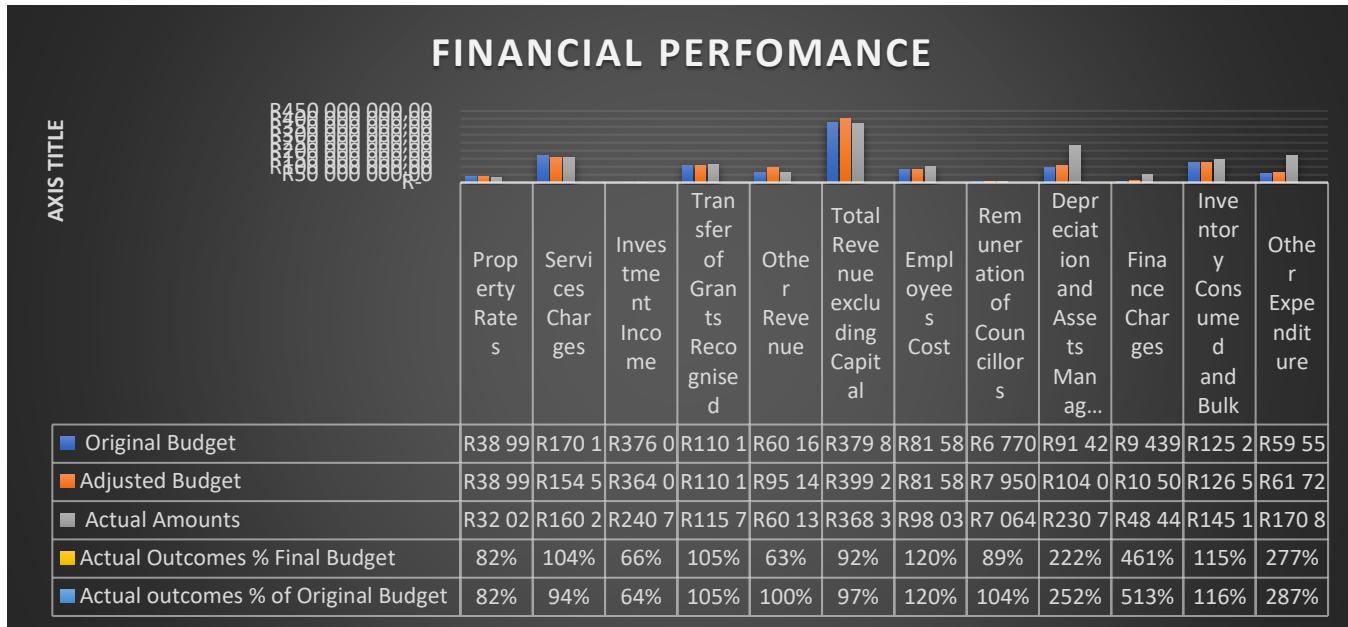
DISCLOSURES OF FINANCIAL INTERESTS

The Municipal Systems Act 32, of 2000, as amended regulates that municipal staff and elected councillors in South Africa, should disclose their Financial Interest to manage and detect conflicts of interests in public life. The purpose of this legislation is to support the effective implementation of financial disclosure regulations by reflecting on institutional good practice. Dipaleseng Local Municipality, fully complies with this regulation.

CHAPTER 5 – FINANCIAL PERFORMANCE [BTO]

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Description	Original Budget	Adjusted Budget	Actual Amounts	Actual Outcomes % Final Budget	Actual outcomes % of Original Budget
Property Rates	R 38 992 000,00	R 38 992 000,00	R 32 021 111,00	82%	82%
Services Charges	R 170 162 000,00	R 154 585 000,00	R 160 206 510,00	104%	94%
Investment Income	R 376 000,00	R 364 000,00	R 240 714,00	66%	64%
Transfer of Grants Recognised	R 110 199 000,00	R 110 199 000,00	R 115 702 677,00	105%	105%
Other Revenue	R 60 166 000,00	R 95 142 000,00	R 60 134 806,00	63%	100%
Total Revenue excluding Capital	R 379 895 000,00	R 399 282 000,00	R 368 305 818,00	92%	97%
Employees Cost	R 81 582 000,00	R 81 582 000,00	R 98 036 309,00	120%	120%
Remuneration of Councillors	R 6 770 000,00	R 7 950 000,00	R 7 064 215,00	89%	104%
Depreciation and Assets Management	R 91 422 000,00	R 104 044 000,00	R 230 782 784,00	222%	252%
Finance Charges	R 9 439 000,00	R 10 500 000,00	R 48 441 697,00	461%	513%
Inventory Consumed and Bulk	R 125 238 000,00	R 126 556 000,00	R 145 186 066,00	115%	116%
Other Expenditure	R 59 557 000,00	R 61 724 000,00	R 170 812 186,00	277%	287%
Surplus or Deficit	R 5 887 000,00	R 6 926 000,00	R (332 017 439,00)		



Comment:

During 2024/25 the municipality had a deficit of R 182 million. The performance can be categorised as follows

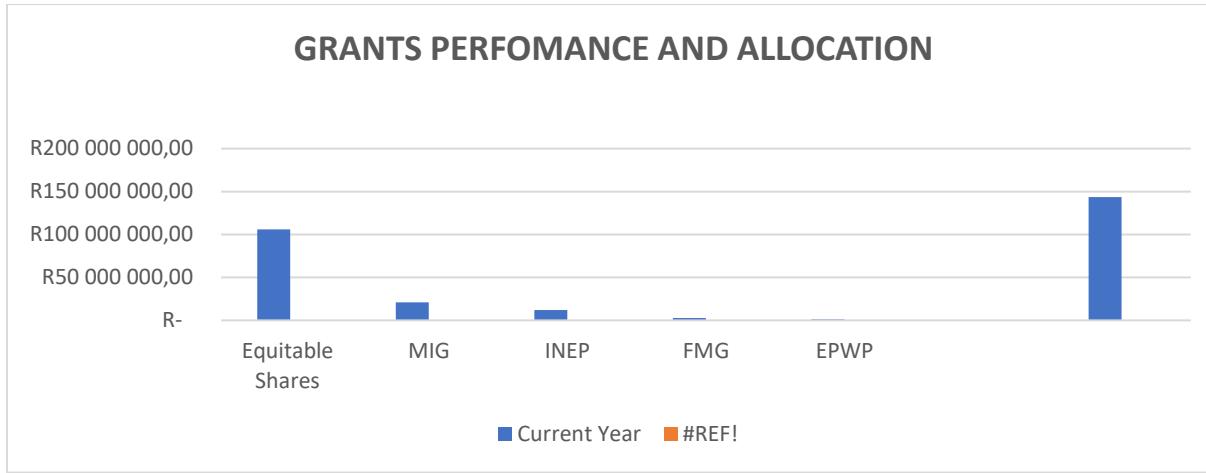
- Operating revenue for the year is R 388.6 million (2022: 301.4 million) which reflects an increase.
- The operating expenditure for the year is R 570.6 million (2022: R 309.8 million) which reflects an increase.

5.2 GRANTS [BTO]

Table 81: Grant Performance

Grant Performance							
		Year 2023/24	Year 2024/25			Year 0 Variance	
Description		Actual	Budget	Adjustmen t Budget	Actual	Origina l Budget	Adjustmen t Budget
Equitable shares		100 018 000.00	106 115 800	-	106 115 800	100%	100%
EDDMS		-	-	-	-	100%	100%
Municipal Infrastructure Grant		16 306 811.00	21 151 000		21 151 000	100%	100%
Integrated National Electrification Programme		10 000 000.00	12 184 000		12 184 000	100%	100%
Finance Management Grant		2 850 000.00	2 800 000	-	2 800 000	100%	100%
Expanded Public Works Programme		1 156 000.00	1 285 000	-	1 285 000	100%	100%
Municipal Disaster Relief Grant		5 750 000.00	0	-	0	100%	100%
Provincial Government		-	-	-	-	-	-
Health subsidy		-	-	-	-	-	-
Housing		-	-	-	-	-	-
Ambulance subsidy		-	-	-	-	-	-
Expanded Public Works Programme		-	-	-	-	-	-
District Municipality		-	-	-	-	-	-
Other Grants Providers		-	-	-	-	-	-

Total Operating Transfers and Grants	127 080 841	143 535 800		143 535 800		
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Comments

Municipality spent all the Conditional Grants that were allocated in terms of DORA.

Table 82: Grants from Other Sources

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant Year -1	Actual Grant Year 0	Year 0 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Foreign Governments/Development Aid Agencies						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						
B - "Project 2"						
Private Sector / Organisations						
A - "Project 1"						
A - "Project 2"						
B - "Project 1"						

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B - "Project 2"						
<i>Provide a comprehensive response to this schedule</i>						T 5.2.3

Comment on conditional grants and grant received from other sources:

None

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5.3. ASSET MANAGEMENT

ASSET MANAGEMENT UPDATED CHECK EMAILS

The Asset Management policy is developed to comply with all relevant legislative requirements and complies with the standards specified by the Accounting Standards Board. Asset management within the municipality is overseen by the Chief Financial officer.

Table 83: Treatment of three largest Assets

Capital Expenditure of 5 largest Projects*					
Name of Project	Current Year: 2024/25			Variance: Current Year	
	Original Budget	Adjusted Budget	Actual Budget	Original Variance %	Adjusted Variance %
	R'000	R'000	R'000	R'000	R'000
A - Establishment of Landfill site Balfour/ Siyathemba Phase 02	7.5	0	0	0%	0%
Delays	None				
Objective of Project	Waste Management				
Future Challenges	Budget				
Anticipated citizen benefits	Healthy Environment				
B - Provision of Sewer Reticulation Network in Grootvlei Ext 1	13.8	0	0	0%	0%
Delays	None				
Objective of Project	Sanitation Services				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Access to decent sanitation services				
C - Upgrading of MV Systems in Balfour	0.555	0	0	0%	0%
Delays	None				
Objective of Project	Electricity Services				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved electricity services to the community				
D - Construction and rehabilitation of roads - Siyathemba: Mofokeng Street	4.288	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				

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E - Construction and rehabilitation of roads - Siyathemba: Charles Street	2.272	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				
					T 5.7.1

Comment on asset management:

Table 84: Repair and Maintenance Expenditure

Repair and Maintenance Expenditure: 2024/25				
	R' 000			
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	12 010	13 430	65 942	49%
T 5.3.4				

Comment on repair and maintenance expenditure:

Expenditure on the repairs and maintenance was due to electrical cable theft and breakdowns that the Municipality experienced in the 2024/25 financial year

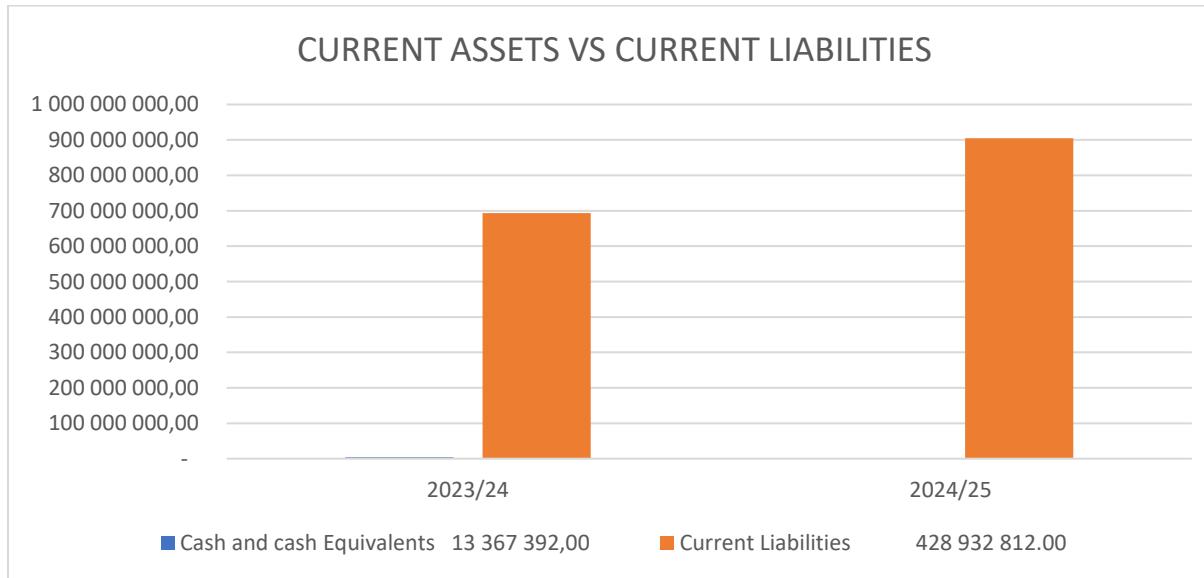
5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.4.1 Current Ratio

Represents the ability of the Municipality's current assets to service its current liabilities. This ratio shows a downward trend from the 2023/24 financial year to the 2024/25 financial year, 49 to 0:44 and a downward trend. The 2024/25 current ratio to debtors indicates the deterioration+ of 5% mainly due to the increase in the interests' expenses for Eskom. The acceptable norm is 2:1 for local government.

Over the years the cash reserves of the Municipality were depleted and in future operating surpluses needs to be generated to replenish cash reserves. The municipality needs to reduce the commitments and build up reserves to settle all the creditors that are due and payable. The ESKOM and DWS account remains a huge problem although the ESKOM payment rate is at 32% for the current financial year.

Description	2022/23	2023/24	2024/25
Current Assets	209 724 204,00	401 504 596,00	445 620 573,00
Current Liabilities	428 932 812,00	693 394 040,00	904 468 986,00
	49%	44%	49%



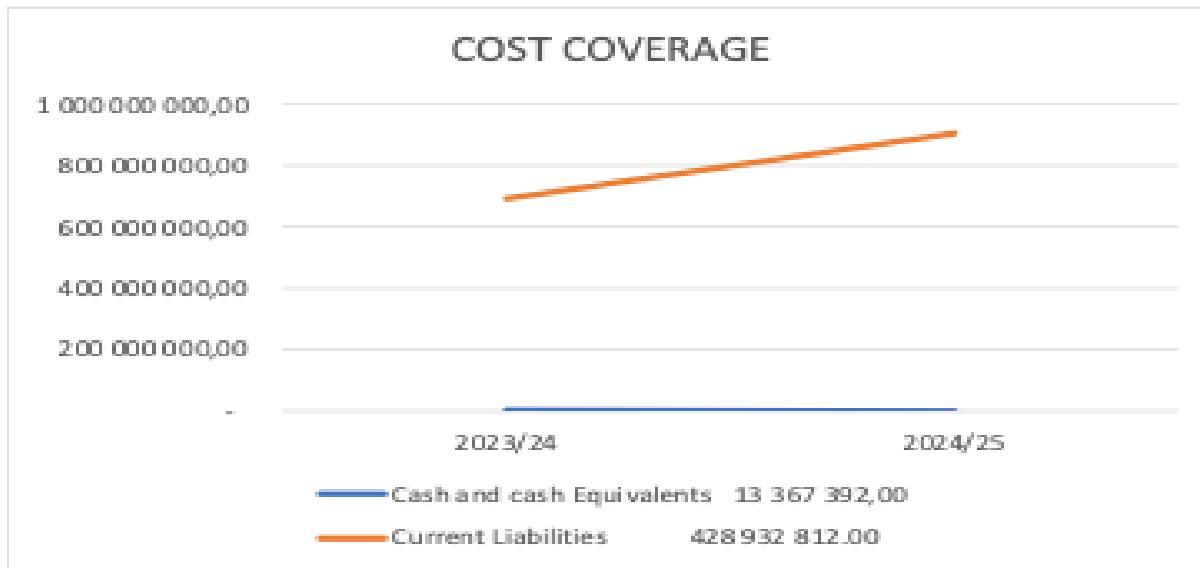
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Employee related costs as a percentage of operating expenditure amounted to 13% for the 2024/25 financial year compared with 13% of the 2023/2024 financial year. The acceptable norm from the National Treasury is that it should be between 25% and 40% of the operating budget expenses. The low rate indicate that the Municipality has lot of vacant position and delays in the implementation of the Task Grade in the Past Financial Years.

5.4.2 Cost Coverage Ratio

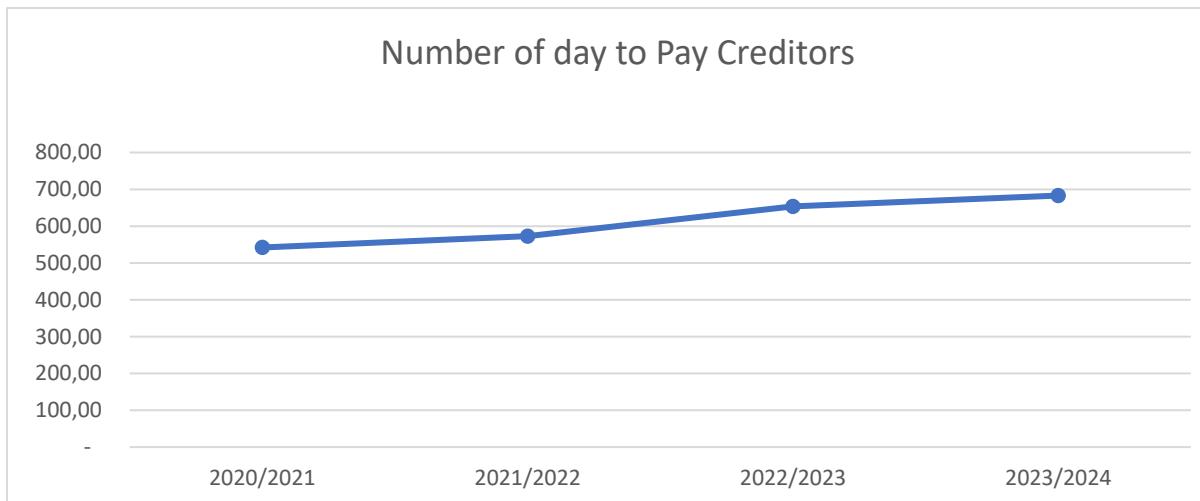
The cash coverage ratio represents the percentage of cash available to cover the existing current liabilities for the Municipality. The cost coverage of the current liabilities indicates that the financial situation is becoming critical as the compared to the previous financial years. The norm is between 1 to 3 months, which is not the case with the Municipality. The municipality must ensure that systems are in place to generate revenue to settle the long outstanding debts have become due and payable in the current year.

Description	2022/23	2023/24	2024/25
Cash and cash Equivalents	13 367 392,00	4 374 631,00	772 794,00
Current Liabilities	428 932 812,00	693 394 040,00	904 468 986,00
	3%	1%	0%



5.4.3 Creditors Payment Period Ratio

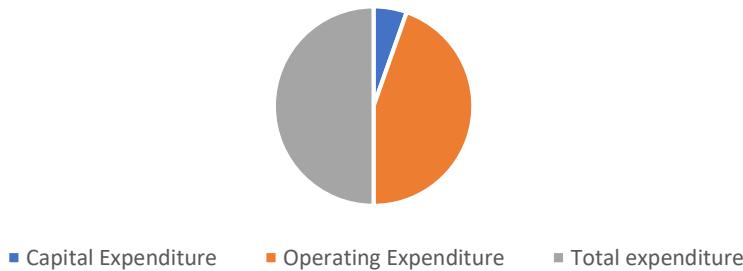
This ratio measures the number of days it takes to pay creditors who delivered services to the Municipality on credit. The GRAP Accounting Standards require from a municipality to recognize invoices in June, still payable in July, on the accrual basis. The ratio for 2024/25 of 654 days is above the norm of 30 days required by the Municipal Finance Management Act. The Municipality need to implement cost containment regulations and ensure that the Revenue Enhancement operation is effective in order to optimize revenue to pay the existing creditors.



5.4.4 Capital Expenditure to Total Expenditure Ratio

This ratio indicates how much capital expenditure is as a percentage of total expenditure (capital and operating expenditure). For the 2024/25 financial year the percentage was at 11%. The Capital assets that were donated by the District Municipality have been included in the current year expenses. Generally the Municipality has suffered declined in the Capital Grants allocation.

CAPITAL EXPENDITURE VS TOTAL OPERATING EXPENDITURE

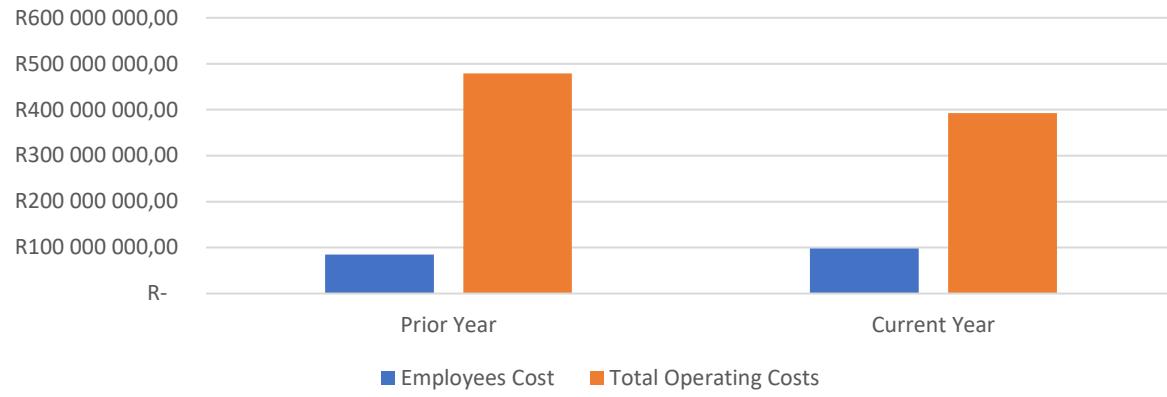


5.4.5

Employee Cost Ratio

Employee related costs as a percentage of operating expenditure amounted to 18% for the 2023/2024 financial year compared with 24% of the 2024/2025 financial year. The acceptable norm from the National Treasury is that it should be between 25% and 40% of the operating budget expenses.

EMPLOYEE COSTS VS TOTAL OPERATING BUDGET



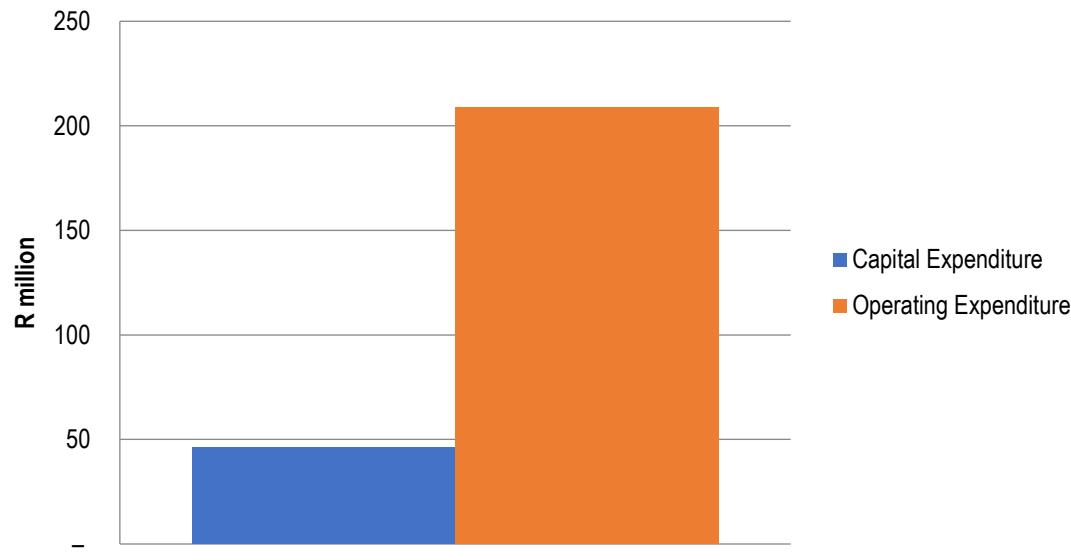
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET **[BTO]**

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Total spending for our capital expenditure improved in the **2024/25** financial year.

Figure 8: Capital Expenditure

Capital Expenditure: Year 2024/25



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Table 85: Capital Expenditure on the 5 Largest Projects

Name of Project	Capital Expenditure of 5 largest Projects*				
	Current Year: 2024/25			Variance: Current Year	
	Original Budget	Adjusted Budget	Actual Budget	Original Variance %	Adjusted Variance %
A - Establishment of Landfill site Balfour/ Siyathemba Phase 02					
	7.5	0	0	0%	0%
Delays	None				
Objective of Project	Waste Management				
Future Challenges	Budget				
Anticipated citizen benefits	Healthy Environment				
B - Provision of Sewer Reticulation Network in Grootvlei Ext 1					
	13.8	0	0	0%	0%
Delays	None				
Objective of Project	Sanitation Services				

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Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Access to decent sanitation services				
C - Upgrading of MV Systems in Balfour	0.555	0	0	0%	0%
Delays	None				
Objective of Project	Electricity Services				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved electricity services to the community				
D - Construction and rehabilitation of roads - Siyathemba: Mofokeng Street	4.288	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				
E - Construction and rehabilitation of roads - Siyathemba: Charles Street	2.272	0	0	0%	0%
Delays	None				
Objective of Project	Road and stormwater infrastructure				
Future Challenges	Maintenance Budget				
Anticipated citizen benefits	Improved road networks and safety				
	T 5.7.1				

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS- OVERVIEW [IS]

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Municipality is expected to provide basic essential services on water, sanitation and electricity.

The Municipality experience backlogs in terms of households without access to water, sanitation and electricity. The Municipality has plans in place to address the infrastructure backlogs.

Table 86: Service Backlog

Service Backlog as at 30 June 2025					
			Households (HHs)		
*Service Level above minimum standard			**Service Delivery below minimum standard		
	No. HHs	%HHs	No. HHs	%HHs	
Water	14 120	95%	757	5%	

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Sanitation	13 976	94%	901	6%
Electricity	13 815	86%	1062	14%
Waste Management	14 120	90%	450	10%
Housing	12 250	82%	321	13%
% HHs are the service above/ below minimum standard as a proposition of total HHs. Housing refers to * Formal and **Informal settlements				
T 5.8.2				

Table 87: Grant Expenditure on Service Backlog [IS]

Details	Budget	Adjustments Budget	Actual	Variance	
				Budget	Adjustments Budget
Infrastructure - Road transport				%	%
Roads, Pavements & Bridges	3000	5000	250	10%	%
Storm water				%	%
Infrastructure - Electricity				%	%
Generation				%	%
Transmission & Reticulation				%	%
Street Lighting	1500	1800	1800	20%	%
Infrastructure - Water				%	%
Dams & Reservoirs				%	%
Water purification				%	%
Reticulation	1500	1500	1500	100%	%
Infrastructure - Sanitation				%	%
Reticulation	11,000	11,000	11000	100%	%
Sewerage purification				%	%
Infrastructure - Other				%	%
Waste Management	6000	6000	5800	%	%
Transportation				%	%

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Gas				%	%
Other Specify:				%	%
Sport and recreation	3000	3000	-	%	%
	-			%	%
				%	%
Total	-			%	%

COMMENTS:

The Municipality experience backlogs in terms of households without access to water, sanitation and electricity. The Municipality has plans in place to address the infrastructure backlogs.

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COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS [BTO]

The table below is a statement of cash flow which represents cash inflow and outflow relating to the municipal operations. The content of its covers the following

1. Cash flows from operating activities which represents the cash inflow and outflows from operation of the municipality
2. Cash flows from investing activities: which represents cash inflow and outflows from selling or acquisition of capital assets
3. Cash flow from financing activities which represents cash inflow or outflow from borrowings and repayment thereof.

Table 88: Cash Flow Outcomes

Descriptions	Audited Outcome	Original Budget	Adjusted Budget	Actuals
Cash flow from Operating Activities				
Receipts	123 655	172 615	172 615	243 192
Repayment and other	207 915		-	
Government Grants	685	141 141	141 141	136 527
Interests		358	358	469
Dividends			-	
Payments			-	
Supplies and Employees	180 469	(263 245)	(263 245)	(209 971)
Finance Charges	36 119	(17 000)	(17 000)	(36 001)
Transfers and Grants			-	
NET CASH FROM OPERATING ACTIVITIES	115 667	33 869	33 869	134 216
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds from disposal of PPE				
Decrease(increase) in non current debtors				
Decrease(increase) in non current receivables				
Decrease(increase) in non current investment				
Payments				
Capital assets	109 520	(36 500)	(36 500)	(134 216 723)
NET CASH FROM(USED)INVESTING ACTIVITIES	109 520	(36 500)	(36 500)	(134 216 723)
CASH FLOWS FROM FINANCING				
Receipts				
Short term loans				
Borrowing long terms/Refinancing				
Increase and decrease in consumer deposits				
Payments				
Repayment of Borrowing	12 400			
NET CASH FROM(USED)FINANCING ACTIVITIES	12 400			
NET INCREASE DECREASE IN CASH HELD	6 146	(2 631)	(2 631)	(8 997)
Cash/Cash Equivalent at the beginning of the year	7 221	112 074	112 074	13 367
Cash/Cash Equivalent at the end of the year	13 367	109 443	109 443	4 374

COMMENT ON CASHFLOW

At the end of the financial the cash and cash equivalent for the Municipality showed a favorable balance of R 13.3 million.

Chapter 5

5.10 BORROWING AND INVESTMENT [BTO]

BORROWING AND INVESTMENTS

The municipality has no borrowings or investments.

Table 89: Actual Borrowings

Actual Borrowings:			
	2022/23	2023/24	2024/25
Instrument			R' 000
Municipality			
Long-Term Loans (annuity/reducing balance)	-	-	-
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Municipality Total	0	0	0
Municipal Entities	-	-	-
Long-Term Loans (annuity/reducing balance)	-	-	-
Long-Term Loans (non-annuity)	-	-	-
Local registered stock	-	-	-
Instalment Credit	-	-	-
Financial Leases	-	-	-
PPP liabilities	-	-	-
Finance Granted By Cap Equipment Supplier	-	-	-
Marketable Bonds	-	-	-
Non-Marketable Bonds	-	-	-
Bankers Acceptances	-	-	-
Financial derivatives	-	-	-
Other Securities	-	-	-
Entities Total	0	0	0

T 5.10.2

Comment on borrowing and investments:

The municipality had no borrowings or investments in the current year under review.

5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

- Sibanye gold mine and
- SASOL
- Eskom (JET Projects)

Chapter 5

COMPONENT D: OTHER FINANCIAL MATTERS [BTO]

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Although the SCM policy was reviewed the municipality experienced certain issues of non-compliance with laws and regulations relating to supply chain management (SCM) and the MFMA and in the opinion of the office of the Auditor General these could have been prevented had SCM Regulations been properly adhered to. THE BID COMMITTEES ARE IN PLACE, AND PPPF WAS AMENDED DURING THE FINANCIAL YEAR WHICH RESULTED IN REVIEWING THE EXISTING POLICY.

5.13 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognised Accounting Practice and it provides guidance on the accounting treatment of financial transactions to which municipalities must comply in order to report on the financial affairs of the municipality. Compliance with GRAP ensures that municipal accounts are accurate, reliable, comparable and informative for the municipality and investors. It also ensures that the municipality is accountable to its citizens and other stakeholders. Compliancy with GRAP is required in order for National Treasury to measure the performance and assess the viability of the municipality.

The Municipality applied the following GRAP standards in preparing the Annual Financial Statements

Standards and Interpretations

GRAP 1 Presentation of Financial Statements

GRAP 2 Cash Flow Statements

GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors

GRAP 4 The Effects of Changes in Foreign Exchange Rates

GRAP 5 Borrowing Costs

GRAP 9 Revenue from Exchange Transactions

GRAP 10 Financial Reporting in Hyperinflationary Economies

GRAP 11 Construction Contracts

GRAP 13 Leases

GRAP 14 Events after the Reporting Date

GRAP 16 Investment Property

GRAP 17 Property Plant and Equipment

GRAP 18 Segment Reporting

GRAP 19 Provisions, Contingent Liabilities and Contingent Assets

GRAP 20 Related Party Disclosures

GRAP 21 Impairment of Non -Cash Generating Assets

GRAP 23 Revenue from Non- Exchange Transactions (Taxes and Transfers)

GRAP 24 Presentation of Budget Information in Financial Statements

GRAP 25 Employee Benefits

GRAP 26 Impairment of Cash-Generating Assets

GRAP 27 Agriculture

GRAP 31 Intangible Assets

GRAP 32 Service Concession Arrangements: Grantor

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GRAP 34 Separate Financial Statements

GRAP 35 Consolidated Financial Statements

GRAP 36 Investments in Associates and Joint Ventures