



The home of harmony, prosperity and growth

2024/25
Draft Annual Report

NGWATHE LOCAL MUNICIPALITY
Draft Annual Report: 2024-25

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Chapter 1: Executive Mayor's Foreword and Executive Summary

1.1 Executive Mayors Foreword

I am honoured and obligated to give the Ngwathe Local Municipality's Annual Report for the financial year 2024/2025. This report reflects our performance and demonstrates our dedication to improving the services we provide to our communities throughout time.

I am pleased to share that, despite resource constraints, we have achieved commendable progress in building a sustainable municipal institution focused on delivering services, driving economic growth, and upholding strong governance and financial management standards. Over the past year, we have worked tirelessly to improve governance structures, enhance service delivery, and ensure responsible use of public funds. Even in the face of economic pressures and infrastructure challenges, our Municipality has recorded tangible improvements in critical areas such as water provision, road maintenance, and community development initiatives.

In the efforts of ensuring a sustainable provision of safe, reliable and quality water to the community, we have constructed 15km of secondary new bulk water supply Infrastructure in Koppies and Kwakwatsi in the 2024/25 financial year through the Regional Bulk Infrastructure Grant. In addition, through the Integrated National Electrification Programme (INEP), a total of 740 households were electrified as follows;

- 79 stands in Parys Abazimeli,
- 139 stands in Tumahole,
- 224 stands in Mokwallo extension 7,
- 357 stands in Mokwallo extension 4.

We recognise that significant work still lies ahead. Our commitment remains strong to speeding up service delivery, tackling infrastructure shortages, creating employment through local economic development, and ensuring that all our decisions are guided by the principles of good governance.

The achievements highlighted in this report stem from the unwavering dedication of our councillors, municipal staff, community leaders, and partners who have worked diligently to serve the people of Ngwathe. I sincerely thank each person who has played a role in advancing our collective vision of a municipality that is responsive, inclusive, and sustainable.

Cllr Victoria De Beer – Mthombeni

Executive Mayor

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1.2 Municipal Managers Executive Summary

Honourable Executive Mayor, as we reflect on the accomplishments and challenges of the 2024/25 financial year, I am proud to share that the Ngwathe Local Municipality has demonstrated commendable progress in service delivery, governance, and financial management. Despite the continued trials posed by external variables such as load reduction, and economic pressure; we have remained steadfast in our commitment to delivering high quality services to our residents.

A new Chief Financial Officer, Director Local Economic Development and Planning, Director Technical Services, and Director Community Services were all appointed by Ngwathe Local Municipality during the last year. Furthermore; a total of 10 critical management positions were filled. We are committed to attracting and retaining top talent, recognizing that strong leadership is critical to the success of our municipality.

As I present this Annual Report, it is important to highlight that, section 121(3) of the Municipal Finance Management Act 2003 and section 46 of the Municipal Systems Act 2000 respectively prescribes the core contents of an Annual Report. In preparation of this annual report, I have considered these and other legislative requirements and National Treasury Guidelines regarding the preparation of an Annual Report.

The Ngwathe Local Municipality's Annual Report for the 2024/2025 financial year remains in line with Circular 63 of the Local Government: Municipal Finance Management Act 56 of 2003. I also considered the importance of reliability, usefulness and relevance of the annual financial statements and performance information contained herein to be submitted to the Auditor-General on 31 August 2025 for auditing purposes. This Annual Report therefore, serves as an authoritative instrument that provides a record of the activities of the Ngwathe Local Municipality for the period under review in a manner that seeks to promote accountability to the community.

In order to address the significant material irregularity brought to our attention by the Auditor General of South Africa during the 2023-24 fiscal year, we have put in place a robust performance management system

Looking forward, we will continue to refine our risk management processes, drawing on best practices and lessons learned. Our goal is to create a resilient and adaptable municipality, capable of navigating the complexities of our operating environment while delivering on our mandate to serve the people of Ngwathe.

This year has put our community, officials, management team and stakeholders to the test, and I am happy to announce that we came out stronger and closer together.

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I would like to extend my heartfelt gratitude to the Executive Mayor, the Mayoral Committee, the entire Council, the Audit and Performance Audit Committee (APAC), and my management team for their unwavering dedication and strategic vision throughout this year. It is through their leadership and collaboration that we have been able to achieve the successes outlined in this report. Finally, I wish to thank all municipal employees for their passion, hard work, and commitment. It is an honour to serve alongside you as we work together to realise our vision of becoming a viable municipality with inclusive economy sustainable development and quality services for all.

Dr F.P Mothamaha
Municipal Manager

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1.3 Municipal Overview

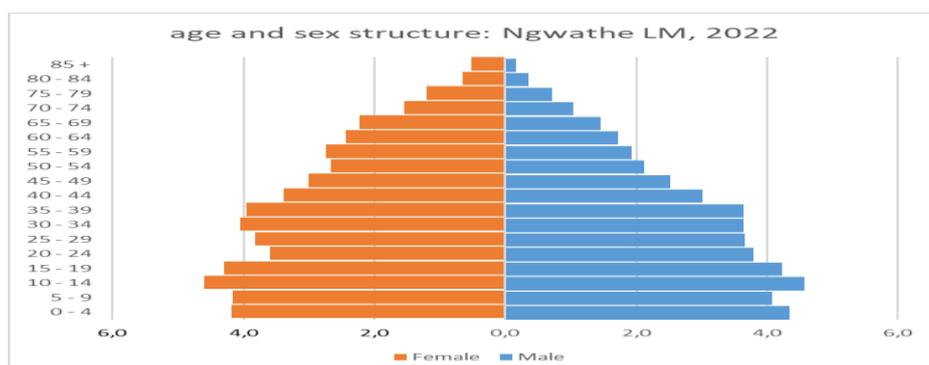
Ngwathe Local Municipality was established in terms of section 14 of the Local Government: Municipal Structures Act, Act 117 of 1998. The Ngwathe Local Municipality is situated in the northern part of the Fezile Dabi District Municipality. The major towns that form Ngwathe Local Municipality's area of jurisdiction include Parys, Vredefort, Heilbron, Koppies and Edenville.

At 7 055km² the land extent makes up about a third of the district's land. The Renoster River also drains through the region and is dammed up in the vicinity of Koppies in a series of dams, namely the Weltevrede, Rooipoort and Koppies Dams. The rivers, together with the respective dams, are prominent water sources for agricultural purposes in the region. The Parys District has unique natural and environmental assets, like the Vaal River, with several islands in the proximity of Parys, and the Vredefort Dome, that present exceptional tourism potential. Parys has a well-developed airfield that supports commercial and tourism development in the area. It has a strong commercial component and provides a wide range of services regarding health, education and professional services to the district.

Table 1.1 Distribution of population by sex, school attendance and population growth rate

Municipality	CENSUS 2011					CENSUS 2022					Growth Rate
	Total population			School attendance (5-24 years)	Sex Ratio	Total population			School attendance (5-24 years)	Sex Ratio	
	Male	Female	Total			Male	Female	Total			
FS203 : Ngwathe	57 424	63 096	120 520	31 829	91,0	63 460	71 502	134 962	32 426	88,8	1,1

(Source: Stats SA, Census 2022)



(Source: Stats SA, Census 2022)

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Table 1.2 Distribution of households by dwelling

Type of dwelling	Number
Formal dwelling	33560
Traditional dwelling	181
Informal dwelling	2718
Other	335

(Source: Stats SA, Census 2022)

Table 1.3 Distribution of households by access to piped water

Access to piped water	Number
Piped (tap) water inside the dwelling	19719
Piped (tap) water inside the yard	15089
Piped (tap) water on community stand: distance less than 200m from dwelling	942
Piped (tap) water to community stand: distance less than 200m and 500m from dwelling	204
Piped (tap) water to community stand: distance less than 500m and 1000m from dwelling	40
Piped (tap) water on community stand: distance greater than 1000m (1 km) from dwelling	224
No access to piped (tap) water	576

(Source: Stats SA, Census 2022)

Table 1.4 Distribution of households by energy used for lighting

Energy used for lighting	Number
Electricity from mains	35126
Other source of electricity (e.g. generator etc.)	81
Gas	62
Paraffin	165
Candles	1137
Solar	170
Other	22
None	31

(Source: Stats SA, Census 2022)

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Table 1.5 Distribution of households by toilet facility

Toilet facility	Number
Flush toilet connected to a public sewerage system	32328
Flush toilet connected to a septic tank or conservancy tank	474
Chemical toilet	67
Pit latrine/toilet with ventilation pipe (VIP)	1018
Pit latrine/toilet without ventilation pipe	882
Ecological toilet (e.g. urine diversion, enviroloo, etc)	33
Bucket toilet (collected by municipality)	1122
Bucket toilet (emptied by household)	424
None	270
Other	177

(Source: Source: Stats SA, Census 2022)

Table 1.6 Distribution of households by refuse removal

Refuse removal	Number
Removed by local authority/private company/community members at least once a week	33613
Removed by local authority/private company/community members less often	394
Communal refuse dump	99
Communal container/central collection point	74
Own refuse dump	1553
Dump or leave rubbish anywhere (no rubbish disposal)	986
Other	74

(Source: Source: Stats SA, Census 2022)

Chapter 2: Governance

Component A: Governance Structures

A1: Political Governance Structure

The political governance structure of the Ngwathe Local Municipality consists of the Council as the highest decision making body. The Council is a Mayoral Executive System, which allows for the exercise of executive authority through the Executive Mayor, in whom the executive leadership of the municipality is vested.

Table 2.1: Composition of Council, Political Office Bearers & Mayoral Committee

Composition of the Council		
Name of Political Party	Number of Councillors	
	2023/24	2024/25
African National Congress (ANC)	21	21
Democratic Alliance (DA)	7	7
Freedom Front Plus (FF+)	3	3
Economic Freedom Fighters (EFF)	5	5
NGWATHERA	1	1

In terms of the Constitution of the Republic of South Africa, the legislative and executive authority of a municipality vests in its municipal council. Municipalities do not have pure judicial powers like the courts. A municipal council makes decisions concerning the exercise of all the powers and the performance of all the functions assigned to in terms of the Constitution.

The table hereunder provides a summary of key resolutions that were taken by Council during the period under review, with an indication of whether such decisions have been carried out at the administrative level.

Table 2.2: Key council resolutions taken

Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
Urgent Special	01/08/2024	1. Proposed schedule of dates and times for meetings (24/25 financial year)	No:01/08/24	Done
		2. Fourth quarter performance report (municipal finance management act, section 52(d))	No:08/08/24	Done
			No:11/08/24	Done

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Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
		<ul style="list-style-type: none"> 3. Consideration by council of the final service delivery and budget implementation plan (sdbip) for the 2024/2025 financial year 4. Appointment of municipal manager 	No:12/08/24	Done
Urgent Special	30/08/2024	<ul style="list-style-type: none"> 1. Delegation of powers 2. Interim appointment of members of the municipal planning tribunal (mpt) 3. Report on unauthorized, irregular, fruitless and wasteful expenditure 2022/23 4. Appointment of director corporate services 5. Appointment of Chief Financial Officer 6. Draft IDP process plan 2025– 26 financial year 	<ul style="list-style-type: none"> No:08/08/24 No:11/08/24 No:16/08/24 No:20/08/24 No:21/08/24 No:22/08/24 	<ul style="list-style-type: none"> Done Done Done Done Done Implemented
Ordinary	12/11/24	<ul style="list-style-type: none"> 1. Workplace skills plan/annual training report (wsp/atr 2024/25) 2. Effects of the multiyear salary and wage collective agreement 2024/2025 budget 3. Section 52(d) 1st quarter report 2024/25 financial year 4. Municipal intervention support plan 2024/25 financial year 5. Audit and performance audit committee charter: 2024/25 financial year 6. Report of the audit & performance audit committee to the council of Ngwathe Local Municipality 7. Municipal intervention support plan 2024/25 financial year 	<ul style="list-style-type: none"> No:04/11/24 No:09/11/24 No:20/11/24 No:21/11/24 No:22/11/24 No:23/11/24 No:32/11/24 No:33/11/24 	<ul style="list-style-type: none"> Done & Submitted to SETA Implemented Done Done Approved Approved Done Approved

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Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
		<ul style="list-style-type: none"> 8. Audit and performance audit committee charter: 2024/25 financial year 9. Report of the audit & performance audit committee to the council of Ngwathe Local Municipality 	No:34/11/24	Approved
Urgent Special	05/12/24	1. Approval of the standard draft by - law for township economies.	No:01/12/24	Approved
		2. Audit and performance audit committee charter: 2024/25 financial year	No:03/12/24	Approved
		3. Report of the audit & performance audit committee to the council of Ngwathe Local Municipality	No:04/12/24	Approved
		4. Government notice on determination of upper limits on salaries, allowances and benefits of different members of the council	No:08/12/24	Implemented
Urgent Special	20/12/24	1. Appointment of director planning and led	No:01/12/24	Done
		2. Appointment of director technical services	No:02/12/24	Done
Ordinary	30/01/25	1. Tabling of the audited draft annual report of Ngwathe Local Municipality for the period ending 30 June 2024	No:01/01/25	Done
		2. Mid-year budget and performance assessment report as required in terms of section 72 of the mfma: 31 December 2024	No:02/01/25	Approved
		3. Section 71 report November 2024	No:09/01/25	Approved
	4. Rescission of council resolution on the appointment of Chief Financial Officer and nullification of the appointment. (in committee)	No:10/01/25	Done	
	27/02/25	<ul style="list-style-type: none"> 1. Mtref adjustment budget for 2024/25 2. Status update on the Eskom debt relief scheme 	No:01/02/25	Approved
			No:02/02/25	Approved
	28/03/25	1. Ngwathe Local Municipality Draft IDP Review document 2025/26 financial year. Report on draft IDP review 2025/26	No:01/03/25	Done

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Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
		financial year (integrated development plan) 2. Mtref budget for 2025/26 3. oversight report 30 June 2024 4. Exemption from cost containment on procurement of the political office bearers official car and dispose the current Executive Mayor's car 5. Write off of political office bearer 's car (speaker's car) 6. Report on termination and appointment of internal members to the municipal planning tribunal as per the spatial planning and land use management act, 2013 and advertisement of appointed internal members to serve on Ngwathe mpt 7. Revised 2024/2025 service delivery budget and implementation plan (SDBIP) performance agreements of the municipal manager and all directors and acting directors 8. Revised 2024/2025 integrated development plan (IDP)	No:02/03/25 No:03/03/25 No:06/03/25 No:07/03/25 No:08/03/25 No:09/03/25 No:10/03/25	Done Approved Done Done Done Approved Approved
	08/02/25	1. Termination of contract and invoking of procurement in terms of regulation 36(a) (i) read together with regulation 36(a) (v) of municipal supply chain management regulations. 1. Approval of the revised performance management and development system framework 2. Report on request to provide a joint lease agreement for parys chicken farm and sokude project initiatives funded by dardea	No:01/04/25 No:02/04/25 No:03/04/25	Done Done Done

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Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
	30/04/25	1. Section 52d report 3 rd quarter	No:01/04/25	Approved
Ordinary	23/05/25	1. Report on application for land to create a small-scale manufacturing hub and light industry project in Edenville.	No:01/05/25	Approved
		2. Report on application for land for meat processing in Edenville	No:02/05/25	Approved
		3. Report on abandonment of donated land for the development of a hospital in Parys and identification of a new site	No:03/05/25	Approved
		4. Report on proposed private public partnership investment in Tumahole	No:05/05/25	Approved
		5. Section 71 report as at 31 march 2025		
		6. Establishment of the petitions and memorandums committee	No:16/05/25	Approved
		7. Appointment of Chief Financial Officer.	No:27/05/25	Done
		8. Application of MEC Cogta in Bloemfontein high court against council's decision to appoint the Municipal Manager	No:29/05/25	Done
			No:31/05/25	In progress
			30/05/25	1. Appointment of director community services
		2. Special mtref adjustment budget for 2024/25	No:02/05/25	Done
		3. Ngwathe Im 2025/26 financial year final IDP review document and mtref budget for 2025/26	No:03/05/25	Done
	25/06/25	1. Judgement of Bloemfontein high court handed down on 20 June 20225 at 12h00	No:01/06/25	In progress
	26/06/25	1. Section 71 report as at 30 April 2025	No:03/06/25	Approved
		2. Report of the audit & performance audit committee to the council of Ngwathe Local Municipality	No:04/06/25	Approved
			No:05/06/25	Approved

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Type of Council Meeting	Date of Meeting	Matter(s) tabled	Resolution Number	Status as at 30 June 2025
		3. Council Resolution for lodging a claim against cms water engineering cc (in liquidation)	No:06/06/25	Approved
		4. Council to consider and approve the sdf public participation schedule	No:07/06/25	Done
		5. Establishment of the petitions and memorandums committee	No:09/06/25	Approved
		6. Schedule of dates and times for meetings (25/26 financial year)	No:10/06/25	Approved
		7. Approval of the revised performance management and development system framework for the 2025-26 fy	No:11/06/25	Approved
		8. 2025/26 budget funding plan	No:12/06/25	Approved
		9. Application for dws debt relief scheme	No:13//06/25	Approved
		10. Updated Municipal Intervention support plan 2025/26 financial year		

A2: Administrative Governance Structure

The administrative structure of the municipality is headed by the Municipal Manager. As the Accounting Officer, the Municipal Manager accounts to the council for all the administrative issues of the municipality, including implementation of council resolutions. In execution of his duties, the Municipal Manager was assisted by his senior managers, who serve as departmental heads and all together, constitutes the senior management team of the municipality.

The senior management team of Ngwathe Local Municipality for the period under review was structured as follows:

Table 2.3: Administrative governance structure

Designation	Initials and Surname	Contact Details	
		Office Telephone Number	E-mail address
Municipal Manager	F.P Mothamaha	056 816 2700	fthulimothama@icloud.com
Chief Financial Officer	S Phetoane	056 816 2700	Phetoanes@ngwathe.co.za
Director: Corporate Services	T Motshoikha	056 816 2700	Tlalim@ngwathe.co.za

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Designation	Initials and Surname	Contact Details	
		Office Telephone Number	E-mail address
Director: Community Services	M Makibinyane	056 816 2700	makibinyanem@ngwathe.co.za
Director Technical Services	M Morokolo	056 816 2700	morokolom@ngwathe.co.za
Director: Local Economic Development & Tourism	S. Dintsi	056 816 2700	Sive.dintsi@gmail.com

Table 2.4: Performance Agreement Status

Performance Agreement Status		
Initial and Surname	Designation	Performance Agreement signed (Y/N)
Dr. F.P Mothamaha	Municipal Manager	Yes
Mr. B Netshivodza	A/Director Community Services	Yes
Mr. M Pali	A/Director Technical Services	Yes
Mr T Motshoikha	Director Corporate Services	Yes
Mr. S.D Phetoane	A/Chief Financial Officer	Yes
Mr. S.D Phetoane	Chief Financial Officer	Yes
Mr. I.J Mosala	A/Director Community Services	Yes
Dr. S. Dintsi	Director Planning and LED	Yes
Ms. M.P Morokolo	Director Technical Services	Yes

Component B: Public Accountability and Participation

A municipality is required to establish and organise its administration to facilitate a culture of accountability amongst its staff. This will enable the municipality to conform to norms and standards that are required for the Public Service and to also adhere to principles of Batho Pele. However, Section 16 (1) of the Local Government Municipal Systems Act 32 of 2000 states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18 (1) (d) of the same Act requires a municipality to supply its community with information concerning municipal governance, management and development.

During the reporting period under review, public participation continued to be of pivotal importance in decision-making processes of council. The municipality relied on public inputs through consultation

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processes to inform the Integrated Development Plans, Budgets, Service Delivery and Budget Implementation Plan (SDBIP) and Performance Plans.

B1: Public Meetings

Ngwathe Local Municipality has mechanism and processes in place to enable effective public participation. In line with section 55(1) (n) of the Municipal Systems Act, the Municipal played a central role in facilitating public participation in the implementation of the IDP during the period under review. On the other hand, the Executive Mayor was responsible for reporting to the council on the involvement of communities in the affairs of the municipality. During the period under review, Public Participation meetings were planned and held as follows:

Table 2.5: IDP Public Participation Meeting

Date	Town	Ward	Venue	Time
29 October 2024	Edenville	18	N.G. Kerk	16h30
31 October 2024	Parys	9	Ntshwephepa School	16h30
		10	Mosepedi Side Hall	16h30
5 November 2024	Heilbron	1	Sandersville Hall	16h30
		2	Phirihadi Primary School	16h30
		4	Dlomo Church	16h30
		5	Greenfield	16h30
	Parys	12	Parys Side Hall	16h30
		19	Tokoloho Sports Ground	16h30
6 November 2024	Vredefort	8	Montoeli Hall	16h30
		14	Kings Motel	16h30
		15	Multi Pupose	16h30
	Parys	6	Master Nakedi	16h30
		7	Winnie Ground	16h30
7 November 2024	Parys	9	Barnard School	16h30
		10	Jackpot Car Wash	16h30
		11	Botjhabatsatsi P. School	16h30
		12	16 Fourth Avenue Open Space – Vaal Parys	16h30
7 November 2024	Parys	6	Ghadaffi Open Space	16h30
		7	Tambo Sports Ground	16h30
		13	Schoenkenville Hall	16h30
		19	Lembethe School	16h30
12 November 2024	Parys	13	Sisulu Section	16h30
26 November 2024	Koppies	16	Park Next To Rebatla Thuto	16h30
		17	Motse Motjha Vd	16h30
27 November 2024	Koppies	17	Motse Kgale Vd (Towns)	16h30

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B2: IDP and Budget Public Consultations

During planning period for 2024/25 financial year, the Executive Mayor, supported by all councillors and municipal administration facilitated a series of community and stakeholder engagements to solicit their inputs on the draft IDP and the MTREF for 2024/2025 after adoption by Council. Consultations took place in all 5 towns as detailed in table 2.5 above.

Component C: Corporate Governance

Corporate Governance is a system that encompasses a set of rules, processes and laws. In the case of Ngwathe Local Municipality, corporate governance also encompasses a system that enables separation of roles and responsibilities between the Executive Mayor and the Council and the Executive Mayor and the Municipal Manager. It is about governance and accountability relationships between the political and administrative structures within a municipality.

C1: Risk Management

Risk management is an integral part of strategic and operational planning in Ngwathe Local Municipality in order to ensure effective service delivery. However, for the year under review the municipality did not have a functional risk management unit and committee.

C3: Supply Chain Management

The municipality has an approved supply chain management policy which is in line with the MFMA, Supply Chain Management Regulation and Preferential Procurement Policy Framework Regulations of 2011. The Supply Chain Management unit is appropriately capacitated in terms of human resources and skills. The unit is headed by a senior official who assume the duties of a senior supply chain practitioner. The composition of the bid committees was also in accordance with the provisions of the Supply Chain Management Regulations, 2005.

C4: By-Laws

No new by-laws were promulgated or reviewed during the period under review.

C5: Publication of Information on the Municipality's Websites

Section 21A of Municipal Systems Act requires that all documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal Finance Management Act or other applicable legislation, must be conveyed to the local community: -

- (a) by displaying the documents at the municipality's head and satellite offices and libraries;
- (b) by displaying the documents on the municipality's official website, if the municipality has a website as envisaged by section 21B; and
- (c) by notifying the local community, in accordance with section 21, of the place, including the website address, where detailed particulars concerning the documents can be obtained.

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On the other hand, section 21B (3) states that the Municipal Manager must maintain and regularly update the municipality's official website, if in existence, or provide the relevant information as required by subsection (2).

Based on the abovementioned, the IT Unit strives to place all relevant and updated information on the website. The Municipality views its website as an integral part of communication infrastructure and strategy. The website serves as a tool for community participation, information sharing and disclosure information about decisions taken, council's finances and activities. Pursuant to the foregoing legislative provisions, the municipality's website was functional and accessible throughout the period under review and the table below provides details of important information that was publicised on the website.

Table 2.8: Publication of information on municipal website

Documents to be published on the municipality's website	Published / Not published
By laws	Published
Finance Policies	Published
Performance agreements	Published
SDBIP	Published
Special Adjustment documents	Published
MTERF Budget	Published
Budget adjustment documents	Published
Draft IDP	Published
Final IDP	Published
IDP Process Plan	Published
Annual reports	Published
Quarterly reports	Published
Tenders	Published

C6: Public Satisfaction on Municipal Services

No public satisfaction survey was conducted during the period under review that is 2024/25 financial year.

C7: Municipal Oversight Committees

Municipal Public Accounts Committee (MPAC) and the Audit and Performance Committee and the two committees responsible to exercise oversight over the executive functionaries of council, ensure good governance in the municipality and to advise the council, the political office-bearers, the accounting officer and the management staff of the municipality on various matters respectively.

During the period under review, the respective committees have discharged their responsibilities as follows in accordance with their terms of reference:

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Audit & Performance Committee	
Matters considered in 2024/25	
<ul style="list-style-type: none"> a) Mid-Term Report – 2024/25 Fiscal Year b) Draft Annual Report (APR): 2023/24 Fiscal Year c) Progress on Implementation of corrective measures on Audit findings (Audit Action Plan – 2023/24 Fiscal Year) 	<p>Thursday; 23 January 2025</p>
<ul style="list-style-type: none"> a) Provincial Treasury – Assessment Results: Internal Audit & Audit Committee b) 3rd Quarter Performance Measurement System Report c) Progress and challenges on implementation of Capital Projects d) <u>Corporate Service Reports:</u> <ul style="list-style-type: none"> ▪ Litigations reports ▪ Progress on filing of critical vacant positions e) <u>Financial Reports:</u> <ul style="list-style-type: none"> ▪ Section 52(d) reports ▪ Unauthorised; irregular; Fruitless & Wasteful Expenditure Register(s) ▪ Progress and challenges on implementation of Audit Action Plan ▪ Preparation of Annual Financial Statements – 2024/25 Fiscal Year f) <u>Internal Audit:</u> <ul style="list-style-type: none"> ▪ Progress on implementation of Internal Audit Annual Program ▪ Assessment results - Audit Action Plan g) Progress on departmental risk assessments 	<p>Friday; 02 May 2025</p>
<ul style="list-style-type: none"> d) Engagement letter and Audit Strategy e) <u>Draft Annual Financial Statement - 2023/24 Fiscal Year:</u> <ul style="list-style-type: none"> ▪ Internal Audit Presentation (High Level Review) ▪ Provincial Treasury Presentation (High Level Review) f) Draft Annual Performance Report: 2023/24 Fiscal Year 	<p>Wednesday; 28 August 2024</p>

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Chapter 3: Service Delivery Performance (Performance Report Part1)

Component A: Basic Service Delivery

A1: Waste Water

Ngwathe sewer network covers five main towns (Parys, Vredefort, Heilbron, Edenville and Koppies) and is served by individual wastewater treatment works in each respective town. Departmental reviews and municipal reports indicate systematic problems across the municipality's WWTWs, which include but not limited to: skills gap, aging infrastructure, hydraulic overload and storm-water ingress contribute to episodic non-compliant effluent discharges to receiving waters.

Parys Wastewater Treatment Works (Parys WWTW)

WTW serving Parys/Tumahole, with the capacity of 7.5 ML/d, utilizes Biological trickling filters comprising of screens, grit removal, primary settling tanks, trickling filters, humus tanks and disinfection with chlorine. Sewer network consists of five pump stations in the network and two pump stations at the plant. The pump stations in the network are:

- Tambo Pump Station
- Tokoloho Pumps Station
- Mbeki Pump Station
- Schonkenville Pump Station
- Ouderwerf Pump Station

The Parys WWTW has 2 Pump stations namely:

- River Pump Station
- Allenby Pump Station

The plant receives domestic wastewater via the municipal sewer network and treats it using a combination of mechanical and biological processes. The treated effluent is discharged to the Vaal river under conditions of a DWS authorisation.

Vredefort Wastewater Treatment Works (Vredefort WWTW)

The plant serves Vredefort and Mokwallo areas with the capacity of 5.9 ML/d for settling ponds with aeration, comprising of coarse bar screen, grit removal, aeration tanks, settling tanks, multiple ponds and chlorination. The sewer network consists of 3 pump stations namely:

- Thula
- Scrap yard
- Vredeshoop

Heilbron Wastewater Treatment Works (Heilbron WWTW)

The network serves Heilbron, Phiritona and surrounding catchments, with the capacity of 6 Ml/d. The plant utilizes Activated Sludge Process comprising of screening, grit removal, primary settling tank, activated sludge process, secondary settling tanks, disinfection. The sewer network consists of the following 2 pump stations:

- Phiritona
- Greenfield

Koppies Wastewater Treatment Works (Koppies WWTW)

The network serves Koppies and Kwakwatsi, with the capacity of 4.7 Ml/d. The plant utilizes Activated Sludge Process comprising of screens, grit removal, Activated Sludge Process, Secondary Settling Tank and disinfection with Chlorine. The Sewer network consists of 6 pump stations (Pump station A-F).

Koppies WWTW also receives effluent from a local abattoir which affects the quality of the effluent the plant discharges into the Renoster River as the blood is currently untreated.

Edenville Wastewater Treatment Works (Edenville WWTW)

The sewer network serves Edenville town and Ngwathe location, with the capacity of 3 Ml/d. The plant makes use of ponds in order to treat the sewage. There is no network in the town. Residents make use of the bucket system. Trucks transport the sewage to the plant. There are no pump stations or any real network.

A3: Roads

Objective / Purpose

The Roads and Storm Water Department/Section is responsible for Planning, Managing, and Monitoring the key Performance Areas (KPA's) and results Key Performance Indicators (KPI's) associated with the effective functioning of Roads and Storm water network throughout the Municipal Area. The objective is to report about the progress made, and also the major challenges that affect the division performance.

Ngwathe Local Municipality is currently in need of various infrastructure services such as roads, and storm-water. The immediate priority in these areas is the maintenance of roads, and storm-water drainage for all Five (5) towns.

The upgrading and provision of the surfaced roads and storm-water system for Ngwathe Municipality will provide acceptable and quality drainage system to the surrounding communities of Ngwathe as a whole. The current storm water problems in the area are at an unacceptable stage where some of the

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roads become drainage basins during light and heavy rains and some of the streets are in an unusable state.

Network Description

Network Inventory

U5 Local streets: provide direct access to smaller individual properties such as within rural settlements, as well as small to medium sized farms. The length of these roads would mostly be shorter than 5km.

U4 Collector streets: form the link to local destinations. They do not carry through traffic but only traffic with an origin or destination along or near the road. The length of these roads would mostly be shorter than 10km.

Surface Types

Flexible pavement / Tar Road: A flexible pavement yields “elastically” to traffic loading. It is constructed with a bituminous- treated surface or relatively thin surface of hot-mix asphalt over one or more unbound base courses resting on a subgrade. (Black-Top roads)

Unpaved Road / Gravel road: An unpaved road is a type of road surfaced with gravel that has been brought to the site from a quarry. They are common in less developed towns, and in the rural area.

Blocked pavement / Interlocking Paving Blocks: Block paving also known as brick paving is a commonly used decorative method of creating a pavement. These blocks are used also in road surfacing. The bricks are typically made of concrete or clay though other composite materials are also used

Table 3.1 U4 Surface Types

Surface Type	Color
Flexible	Black
Gravel	Green
Block	Red

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Table 3.2: RCAM class and surface types

RCAM CLASS	FLEX			BLOCK			CONCR	UNPAVED			TOTAL
	U4	U5	TOTAL	U4	U5	TOTAL	U5b	U4	U5	TOTAL	
Edenville/ Ngwathe	1,69	0	1,69	3,45	1,73	5,18	1,04	1,47	35,48	36,95	43,82
Heilbron/ Phiritona	13,02	35,23	48,25	0,3	5,79	6,09		4,81	69,24	74,05	128,39
Koppies/ Kwakwatsi	4,78	10,95	15,73	4,38	1,76	6,14		8,8	26,95	35,75	57,62
Parys/ Thumahole	17,83	74,87	92,7	6,65	38,14	44,79	0,22	10,4	72,63	83,03	220,52
Vredefort/ Mokwallo	7,88	9,82	17,7	2,26	10,09	12,35	0,09	6,54	33,09	39,63	69,68
TOTAL	45,2	130,87	176,07	17,04	57,51	74,55	1,35	32,02	237,39	269,41	521,38

Overall performance of roads

To improve the condition of roads within Ngwathe, the Roads and Storm water division has initiated a comprehensive re-gravelling program for unpaved roads, which the planning commenced at the start of this quarter. However, the municipality continues to face significant challenges in delivering its road-related projects, including surfacing/paving, re-gravelling of unpaved roads, and sidewalk construction.

A thorough assessment of nearly all streets and roads was conducted during the review period. While some roads can be maintained temporarily, the findings strongly suggest that prioritizing the structural rehabilitation of roads and storm water drainage systems is essential. Prolonged delays will likely lead to increased costs for rehabilitation and reconstruction, as well as a heightened risk of claims from road users due to vehicle damage.

The challenges of unavailability of material, inadequate and aging fleet, and shortage of personnel especially the critical posts had impacted negatively on service delivery

A4: Cemeteries

The cemeteries within the municipality remain functional; however, the following challenges have been identified:

Capacity: Certain cemeteries have reached full capacity, necessitating the identification of new burial sites or expansion of current cemeteries.

Infrastructure Condition: Ablution facilities and fencing are partially functional, with some sections requiring urgent repairs and reinforcement.

Accessibility: Access roads to some cemeteries are navigable but require regular grading and maintenance, especially during the rainy season.

Operational maintenance of cemeteries

Grass Cutting: Routine grass cutting is conducted monthly to bi-monthly, depending on weather conditions and the availability of resources. Priority is given to overgrown areas to ensure accessible pathways and burial spaces.

Cleaning of the Area: Cleaning and litter collection are conducted weekly by municipal workers and EPWP staff. Community cleaning campaigns are organized to supplement municipal operations.

Repairs of Ablution Facilities: Ablution facilities are functional however require regular maintenance due to aging infrastructure. Minor repairs (leaks, broken seats, and taps) are carried out internally, while major refurbishments are dependent on budget allocations.

Fencing: Most cemeteries are fenced, but some sections are damaged or vandalized, which compromises security. Repairs and reinforcement of fencing form part of the ongoing maintenance plan to ensure safety and dignity.

A5: FIRE SERVICES

Ngwathe Local Municipality provides fire and rescue services as part of its constitutional mandate to safeguard lives, property, and the environment from fire hazards and emergencies. These services operate under a defined legislative framework and deliver proactive and reactive interventions to ensure community safety and compliance.

The key objectives are to:

- Protect life, property, and the environment from fire hazards and emergencies;
- Ensure compliance with fire safety regulations in buildings, businesses, and public facilities;
- Conduct emergency response and rescue operations for structural fires, road accidents, hazardous materials incidents, and natural disasters;
- Promote fire safety education through public awareness campaigns and stakeholder engagement;
- Undertake fire safety inspections and risk assessments to reduce potential hazards; and
- Support disaster management operations within the municipal area.

During the 2024/2025 financial year, the fire services unit achieved the following:

- 52 fire safety inspections across business premises and public facilities.
- Two public information and awareness campaigns on fire prevention and emergency preparedness were held.
- Emergency responses to structural fires, veld fires, and road accident rescues.
- Event compliance support for public gatherings to ensure fire safety standards.

A5: Local Economic Development

In our efforts to enhance the economy of Ngwathe and subsequently to improve the lives of our local people, while there are numerous planned developments, there are several projects that have already been implemented during the 2024-25 financial year:

- **Damlaagte Solar PV Plant:** Ngwathe welcomed the 97.5 megawatts Damlaagte Solar Project, which is currently under construction in Parys. The project is anticipated to provide approximately 300 million kilowatts of clean electricity.
- **Sedibe Solar PV Plant:** Line-up of contractors appointed by energy company Teraco, to commence with phase 1 of the Sedibe Solar Project which shall involve the construction of the PV plant in Parys. Phase 1 will be implemented for a period of 12 months starting from August 2025 and is expected to create 2 780 jobs during and post construction.
- **New mall:** Council approved the development of a **new mixed-use development including a retail centre and residential development** here in Parys between Schonkenville and Tumahole, where we anticipate high numbers of job creation. Ngwathe Local Municipality is working tirelessly to extremely reduce the high rate of youth unemployment in our society. At least over 4 900 jobs will be created by the developer pre-construction (500), during construction (4 000) and post construction (400).
- **Parys Mega Development:** In November 2024, Ngwathe Local Municipality did the sod-turning for the **Parys Mega Development** that will take place along the R59 road near Parys Airfield and the Parys Golf and Country Estate. This massive infrastructural development will feature the following key expansions:
 - **Solar Plant;**
 - **Rehabilitation of the Parys Airfield to operate as a Strategic Freight Hub;**
 - **A Comprehensive Medical Campus with Student Accommodation;**
 - **Private Primary and High School;**
 - **A Truck Stop;**
 - **Hotel, and**
 - **and Retail Centre.**

Spatial planning and land use

In the month of March 2025, Ngwathe Local Municipality was able to allocate 143 sites to the residents of Schonkenville Extension 8. These newly allocated sites are already equipped with water and sanitation infrastructure.

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Component B: Introduction to Performance Report

Performance management is a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality. At local government level performance management is institutionalised through the legislative requirements on the performance management process for local government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

At local government level performance management is institutionalised through the legislative requirements on the performance management process for local government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met. The Constitution of South Africa (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, regarding the principles of inter alia:

1. the promotion of efficient, economic and effective use of resources;
2. Accountable public administration;
3. To be transparent by providing information;
4. To be responsive to the needs of the community; and
5. To facilitate a culture of public service and accountability amongst staff.

The Local Government: Municipal Systems Act (MSA) 32 of 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 to be monitored for the performance of the budget via the Service Delivery and the Budget Implementation Plan (SDBIP).

This chapter focuses on reporting on service delivery on a service-by-service in line with the municipality's IDP and SDBIP and thus aims at demonstrating what has been achieved and what remains outstanding as initially planned in terms of the municipality's IDP.

Annual performance against SDBIP targets

The SDBIP for the 2024/25 financial year was approved by Council as part of the 2024/25 Integrated Development Plan (IDP).

The approved SDBIP is made up of **78 performance indicators and targets**. The municipality's PMS Unit is therefore responsible for the planning, monitoring and preparation of performance reports detailing the progression of indicators in achieving their stipulated target as required by legislation.

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Top Layer SDBIP Performance Summary

This performance summary is based on the **78 performance indicators and its corresponding targets** in the Top Layer SDBIP that were due for reporting at the end of the financial year under review i.e. 2024-25. The performance was recorded as follows:

A total target of **39 performance indicators and its corresponding targets** were achieved (from the **78 performance indicators and targets** due for reporting at the end of the 2024-25 financial year) This accounts for **50%** target achievement while **33 performance indicators and its corresponding target** were not achieved, translating to **42.3%** negative variance. A total of **5 performance indicators were partially achieved**, translating to **6.41%**.

The table below summarises the performance per Key Performance Area (KPA) for the period under review.

Table 3.3 : Statistical Summary of Annual Performance per KPA

Assessment Criteria	KPA 1: Basic Service Delivery and Infrastructure Development	KPA 2 Local Economic Development	KPA 3: Municipal Transformation and Organisational Development	KPA 4: Financial Management and Viability	KPA 5: Good Governance and Public Participation	Total
Total number of targets	23	4	17	10	24	78
Total number of targets achieved	5	3	12	7	11	39
Total number of targets not achieved	14	0	5	3	12	33
Total number of targets partially achieved	4	1	0	0	1	5
Annual Target achieved percentage	21,7%	75%	70.58%	70%	45.83%	50%

Comparison of the 2024/25 performance with the performance of 2023/24 and 2022/23

Section 46(1)(a)(i) requires that a municipality must prepare for each financial year an annual report consisting of a performance report reflecting the municipality’s, and any service provider’s, performance during that financial year, also in comparison with targets of and with performance in the previous financial year.

The table below therefore provides and comparative analysis of the municipality’s institutional performance for the financial year under review and 2023/24 and 2022/23 in compliance with the aforesaid legislative provision. In relation to the performance of the municipality’s service providers, a detailed analysis is available in Appendix I of this annual report.

Table 3.4: Comparison of Current Year’s Institutional Performance with Prior two Years’ Performance

Key Performance Area	2024/25 Financial Year			2023/24 Financial Year			2022/23 Financial Year		
	Total Number of KPIs & Targets Set & Assessed	Total Number of KPIs & Targets Achieved	% of KPIs & Targets Achieved against KPIs & Targets Set & Assessed	Total Number of KPIs & Targets Set & Assessed	Total Number of KPIs & Targets Achieved	% of KPIs & Targets Achieved	Total Number of KPIs & Targets Set & Assessed	Total Number of KPIs & Targets Achieved	% of KPIs & Targets Achieved
KPA 1: Basic Service Delivery and Infrastructure Development	23	5	21,7%	34	15	44%	37	15	41%
KPA 2 Local Economic Development	4	3	75%	8	0	0%	14	4	29%
KPA 3: Municipal Transformation and Organisational Development	17	12	71%	14	8	57%	15	13	87%
KPA 4: Financial Management and Viability	10	7	70%	11	10	91%	12	9	75%
KPA 5: Good Governance and Public Participation	24	11	46%	47	27	57%	37	24	65%
Total	78	39	50%	114	60	53%	115	65	57%

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In comparison of the 2024/25 annual performance with the performance of the two prior financial years, it is evident that the total numbers of KPIs and Targets set have decreased from 115 and 114 respectively to 78 in total. This reduction was informed by a need to rationalise the Key Performance Indicators and Targets in order to ensure that only the most appropriate and indicators and targets that are able to yield maximum impact in line with the strategic objectives of the municipality as outlined in the IDP, are considered.

Moreover, the overall percentage of targets achieved has reduced from 57% in 2022/23 and 53% in 2023/24 to 50% in the current financial year. Although from the numeric presentation these outcomes may seem to represent a decline in performance, management is however of the view that this numeric reduction does not necessarily imply decline in performance taking into account the following:

The qualitative nature of the KPIs and Targets has improved dramatically;

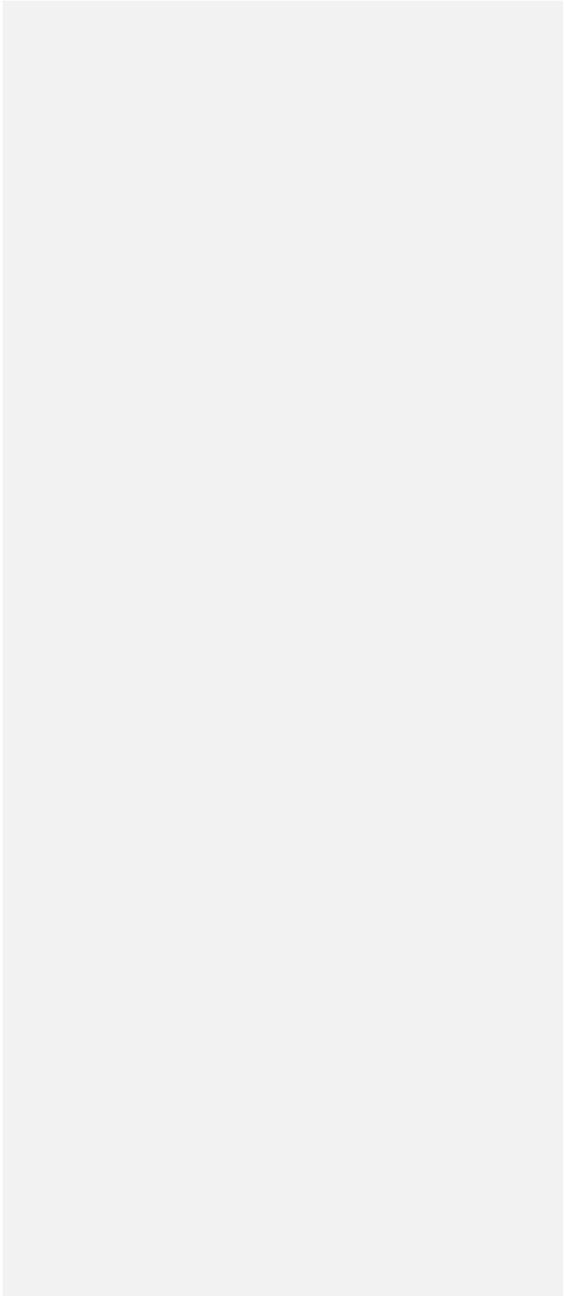
The departments of Technical Services and Community Services, which jointly KPIs owners under KPA 1: Basic Service Delivery and Infrastructure Development have been without senior managers for a prolonged period of time, and newly appointed senior managers were only able to effectively contribute towards the achievements of their targets from quarter two and four respectively.

The targets that were set from prior years, were not guided by a comprehensive and council approved Performance Management Framework, which was only developed and approved by Council and came into implementation after 2024/25 mid-term review processes;

Finally, part of the drive was to clear material irregularity on performance management finding from the Auditor-General, which we believe given the amount and quality of work done, this material irregularity will be cleared and our focus will henceforth on ensuring maximum focus and impactful implementation of all our performance measures.

Component C: Annual Performance Report Against Pre-Determined Objectives 2024-25 Financial Year

KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT



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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure sustainable provision of electricity.	2	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	KPI 01	Dir: TS	Number of additional households in municipal supply area connected to electricity grid by 30 June 2025	0	0	25794 households in municipal supply area connected to electricity grid at 30 June 2024	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	Not Achieved: Zero (0) additional households in municipal supply area connected to electricity grid by 30 June 2025. Annual target was not aligned to the budget	INEP Reports not provided	Not Achieved	To align the annual target with the budget and resources allocated to the department in the 2025/26 FY
To ensure sustainable provision of electricity.	2	799 of new household electricity connections completed by 30 June 2025	KPI 02	Dir: TS	Number of New household electricity connections completed by 30 June 2025	0	0	New KPI	799 of new household electricity connections completed by 30 June 2025	Partially Achieved: 740 of new household connections were completed by 30 June 2025	INEP Report	Partially Achieved	The 59 households' connections will be finalised in the 2025/26
To ensure sustainable	2	60% Reduction in	KPI 03	Dir: TS	% (percentage)	0%	0%	New KPI	60% Reduction in	Not Achieved:	Electricity distribution	Not Achieved	The Municipality is

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
provision of electricity.		electricity distribution losses by 30 June 2025			Reduction in electricity distribution losses by 30 June 2025				electricity distribution losses by 30 June 2025.	Electricity distribution losses were recorded at 60.9% by 30 June 2025	analysis report not provided		to develop the Electricity distribution losses reduction plan, expedite meter audit, manage load reduction and accelerate installation of prepaid electricity meters in the 2025/2026
To ensure the provision of trafficable roads and storm-water infrastructure.	4	40 000 m ² of potholes patched by 30 June 2025	KPI06	Dir: TS	Number of m ² of potholes patched by 30 June 2025	0 m ²	0 m ²	New KPI	40 000 m ² of potholes patched by 30 June 2025	Partially Achieved: A total of 20 781,87 m ² of potholes patched by 30 June 2025. Quarter 2- 18079 m ² Quarter 3- 626.87 m ²	Internal Roads Maintenance Report	Partially Achieved	To align the annual target with the budget and resources allocated the department

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
										Quarter 4-2076 m²			
To ensure the provision of trafficable roads and storm-water infrastructure.	4	3.2 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	KPI 07	Dir: TS	Number of kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	0 km	0 km	1.8 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2024	3.2 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	Not Achieved: 0 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	Evidence provided not in line with the requirements of the KPI	Not Achieved	To ensure accuracy and correct reporting, the KPI will be revised to align with the section's actual responsibilities and planned target in the 2025-26 FY
To ensure the provision of sustainable sanitation to the community.	3	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	KPI 08	Dir: TS	Number of Credible Sanitation Master Plan developed by 30 June 2025	0	0	N/A	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	Not Achieved: 0 (Zero) The Credible Sanitation Master Plan developed by 30 June 2025.	No evidence provided	Not Achieved	The process of the Development is underway. Sanitation Master Plan will be tabled in Council for approval by 30 March 2026.

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
										is currently being development			
To ensure the provision of sustainable sanitation to the community.	3	60 additional households in municipal supply area with access to basic sanitation service by 30 June 2025	KPI 09	Dir: TS	Number of additional households in municipal supply area with access to basic sanitation by 30 June 2025	0	0	34 713 households in municipal supply area with access to basic sanitation at 30 June 2024	60 additional households in municipal supply area with access to basic by 30 June 2025	Not Achieved: Zero (0) additional households in municipal supply area with access to basic by 30 June 2025. Target was not aligned to budget	MIG and WSIG reports not provided	Not Achieved	To align the annual target with the budget and resources allocated the department in the 2025-26 FY
To ensure sustainable provision of safe, reliable and quality water to the community.	1	96% Wastewater quality compliance rate according to the water use license by 30 June 2025	KPI 10	Dir: TS	% (percentage) rate of Wastewater quality compliance according to the water use license by 30 June 2025	0%	0%	New KPI	96% Wastewater quality compliance rate according to the water use license by 30 June 2025	Not Achieved: 0% Wastewater quality compliance rate according to the water use license	Green drop reports Not Provided	Not Achieved	Approved action plan on Green drop will be implemented and monitored in the 2025-26FY

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
										by 30 June 2025. The wastewater plant was not fully operational in the year ending 30 June 2025			
To ensure sustainable provision of safe, reliable and quality water to the community.	1	25% Reduction in water distribution losses by 30 June 2025	KPI 12	Dir: TS	% (percentage) Reduction in water distribution losses by 30 June 2025	0%	0%	New KPI	25% Reduction in water distribution losses by 30 June 2025	Not Achieved: water distribution losses were recorded at 27%	Water distribution analysis report not provided	Not Achieved	The municipality will Develop the master plan, increase meter audit and accelerate installation of water meters in the 2025/2026

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure sustainable provision of safe, reliable and quality water to the community.	1	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	KPI 13	Dir: TS	No of additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	0	0	New KPI	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	Not Achieved: Zero (0) additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025. annual target was not aligned to the budget	MIG and RBIG report not provided	Not Achieved	To align the annual target with the budget and resources allocated the department in the 2025-26 FY.

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KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure sustainable provision of safe, reliable and quality water to the community.	1	2 new household water connections completed by 30 June 2025	KPI 14	Dir: TS	Number of new household water connections completed by 30 June 2025	0	0	New KPI	2 new household water connections completed by 30 June 2025	Not Achieved: Zero (0) new household water connections completed by 30 June 2025. annual target was not aligned to the budget	MIG and RBIG report not provided	Not Achieved	To align the annual target with the budget and resources allocated the department
To ensure sustainable provision of safe, reliable and quality water to the community.	1	60 sample tests conducted to measure water quality by 30 June 2025	KPI 15	Dir: TS	Number of sample tests conducted to measure water quality by 30 June 2025	0	0	New KPI	60 Sample tests conducted to measure water quality by 30 June 2025	Partially Achieved: 39 Sample tests conducted to measure water quality by 30 June 2025	Water testing reports	Partially Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure sustainable provision of safe, reliable and quality water to the community.	1	95% Compliance rate of drinking water to SANS241 by 30 June 2025	KPI 16	Dir: TS	%(percentage) Compliance rate of drinking water compliance to SANS241by 30 June 2025	0%	0%	New KPI	95% Compliance rate of drinking water to SANS241 by 30 June 2025	Not Achieved: 0% Compliance rate of drinking water to SANS241 by 30 June 2025. water treatment plant was not fully operational in the year ending 30 June 2025	Blue drop reports not provided	Not Achieved	To ensure accuracy and correct reporting, the KPI will be revised to align with the section's actual planned outcome date
To ensure sustainable provision of safe, reliable and quality water to the community.	1	15 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi	KPI 17	Dir: TS	Number of kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi by 30 June 2025	0km	0km	5 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi	15 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi	Partially Achieved: 10.47 KMS of secondary new bulk infrastructure line constructed as at 30 June 2025	RBIG Report	Partially Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		by 30 June 2025						at 30 June 2024	by 30 June 2025				
To ensure effective management of municipal expenditure.	11	100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	KPI 30	Dir: TS	% (percentage) of expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	0%	0%	New KPI	100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	Achieved: 100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	MIG Reports	Achieved	N/A
To ensure environmental sustainability in Ngwathe.	6	9 Illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	KPI 32	Dir: CS	Number of illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	0	0	New KPI	9 Illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	Achieved: 9 Illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	Community Service Management Reports	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure environmental sustainability in Ngwathe.	6	4 Clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	KPI 33	Dir: CS	Number of clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	0	0	New KPI	4 Clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	Achieved 4 Clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	Community Service Management Reports	Achieved	N/A
To ensure provision of social services to communities.	5	42 000 households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	KPI 34	Dir: CS	Number of households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	0	0	42 000 households and businesses in municipal area with access to weekly refuse removal services at 30 June 2024	42 000 households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	Achieved: 42 000 households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	Community Service Management Reports	Achieved	N/A
To ensure provision of social	5	1 (one) Cemetery management	KPI 35	Dir: CS	Number of cemetery management	0km	0km	New KPI	1 (one) Cemetery management	Not Achieved: 0 (Zero)	The Draft Cemetery by-laws	Not Achieved	The draft is completed and SALGA is

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
services to communities.		plan developed by 30 June 2025			plans developed by 30 June 2025				plan developed by 30 June 2025	Cemetery management plan developed by 30 June 2025. Municipality is awaiting SALGA's assistance with cemetery by laws	have been provided		assisting with the cemetery bylaws to be included in the plan. The bench marking took more time than expected. This will be complete in the 2025-26 FY.
To ensure provision of social services to communities	5	1 (one) Hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025	KPI 38	Dir: TS	Number and name of halls and facilities upgraded by 30 June 2025	0	0	1 hall and facilities upgraded at 30 June 2024	1 (one) Hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025	Not Achieved: Zero (0) Hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025annual target was not aligned to the budget	MIG Report not provided	Not Achieved	Allocation has been re-prioritised to be implemented in 2025/26 MIG implementation Plan

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure environmental sustainability in Ngwathe.	6	Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025	KPI 39	Dir: CS	Date of approval by Council of the reviewed Disaster Management Plan for the municipality by 30 June 2025	0	0	New KPI	Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025	Not Achieved: Finalisation of Disaster Management Plan is underway pending working sessions for technical support	Reviewed Draft Disaster Management Plan has been provided	Not Achieved	The District Disaster Management Centre to have working sessions for technical support and guidance in the finalization of the Draft Disaster Management Plan. The Disaster Management plan will be reviewed and approved in the 2025-26 FY.
To ensure environmental sustainability in Ngwathe.	6	300 premises inspected for fire safety and compliance	KPI 40	Dir: CS	Number of premises inspected for fire safety and compliance	0	0	New KPI	300 premises inspected for fire safety and compliance	Not Achieved: 75 premises inspected for fire safety and	Community Service Management Reports	Not Achieved	Municipality will ensure that the appointment of the Chief Fire Officer is

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 1: Basic Service Delivery and Infrastructure Development													
Strategic Objectives and Performance Indicators													
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		by 30 June 2025			by 30 June 2025				by 30 June 2025	compliance by 30 June 2025. Appointment letter of Chief Fire Officer was not issued on time instability in the municipality			finalised by December 2025
To ensure provision of social services to communities.	5	100% Compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	KPI 41	Dir: CS	% (percentage) compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	0%	0%	New KPI	100% Compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	Achieved: 100% Compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	Community Service Management Reports	Achieved	N/A

KPA 2: LOCAL ECONOMIC DEVELOPMENT

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 2: Local Economic Development													
Strategic Objectives and Performance Indicators									Annual Performance Targets				
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target 2024-25	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To create an enabling environment that stimulates economic growth and creates jobs.	7	Spatial Development Framework reviewed and approved by Council by 30 June 2025	KPI 48	Dir: LED	Date of approval by Council of reviewed Spatial Development Framework by 30 June 2025	0	0	New KPI	Spatial Development Framework reviewed and approved by Council by 30 June 2025	Partially Achieved: Draft SDF and Schedule for Public Participation have been served at latest Council; dates for public participation meetings to be separated for Parys and Tumahole as proposed by Council.	Reviewed Draft Spatial Development Framework	Partially Achieved.	The process of the Development is underway and the public participation meetings are underway. The SDF will be tabled in council for approval by September 2025.
To create an enabling environment that stimulates economic growth and creates jobs.	7	90% of Building Plans applications received and processed within a period of 60	KPI 50	Dir: LED	% (Percentage) of Building Plans applications received and processed within a period of 60	0%	0%	New KPI	90% of Building Plans applications received and processed within a period of 60	Achieved: 90% of building plans applications were received and processed within a	Spatial Planning and land use report	Achieved.	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 2: Local Economic Development													
Strategic Objectives and Performance Indicators									Annual Performance Targets				
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target 2024-25	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		days by 30 June 2025			days by 30 June 2025				days by 30 June 2025	period of 60 days by 30 June 2025			
To create an enabling environment that stimulates economic growth and creates jobs.	7	90 % of applications for rezoning received and processed within 90 days by 30 June 2025	KPI 51	Dir: LED	% (Percentage) of applications for rezoning received and processed within 90 days by 30 June 2025	0%	0%	New KPI	90 % of applications for rezoning received and processed within 90 days by 30 June 2025	Not Achieved: 0% rezoning application was received for the period under review	Spatial Planning and land use report	Not Achieved.	N/A
To create an enabling environment that stimulates economic growth and creates jobs.	7	1 (One) SMME register developed and continuously updated by 30 June 2025	KPI 52	Dir: LED	Number of SMME registers developed and continuously updated by 30 June 2025	0	0	New KPI	1 (One) SMME register developed and continuously updated by 30 June 2025	Achieved: One (1) SMME register was developed and updated as at 30 June 2025	One developed SMME register	Achieved.	N/A

KPA 3: MUNICIPAL TRANSFORMATION AND ORGANISATION

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities .	14	87% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	KPI 54	Dir: CpS	% (percentage) of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	0%	0%	85% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2024	87% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	Achieved: 87% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	Corporate Service Management Report	Achieved	N/A
To ensure good governance and participation of communities .	14	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2025	KPI 55	Dir: CpS	Number of quarterly reports submitted to Council on the tracking of council by June 2025	0%	0%	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2024	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2025	Achieved: 4 Four quarterly reports were submitted on the tracking of council resolutions by 30 June 2025	Corporate Service Management Report	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure effective organisational and management of human resources	8	20% of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	KPI 56	Dir: CpS	% (percentage) of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	0%	0%	69% of employment equity targets met as at 30 June 2024	20% (percentage) of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	Achieved: 20% of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan as at 30 June 2025	Employment Equity Plan signed by the Director	Achieved	N/A
To ensure effective organisational and management of human resources	8	WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to	KPI 57	Dir: CpS	Date of submission of compiled WSP, annual training report (ATR) & PIVOTAL report to	0	0	30 April 2024 Submission date in 2023/24 financial year	WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to	Achieved: WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to	Email transcript to LGSETA	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		LGSETA by 30 2025/04/01			LGSETA by 30 April 2025				LGSETA by 30 April 2025	LGSETA by 30 April 2025			
To ensure effective organisational and management of human resources	8	1 (One) Apprenticeships implemented as per WSP by 31 March 2025	KPI 58	Dir. CpS	Number of Apprenticeships implemented as per WSP by 31 March 2025	0	0	1 (One) Apprenticeships implemented as per WSP as at 30 June 2024	1 (One) Apprenticeships implemented as per WSP by 31 March 2025	Achieved: 1 (One) apprenticeships was implemented as per WSP by 31 March 2025	WSP Report	Achieved	N/A
To ensure effective organisational and management of human resources	8	3 (Three) skills development programmes implemented as per WSP by 30 June 2025	KPI 59	Dir. CpS	Number of skills development programmes implemented as per WSP by 30 June 2025	0	0	3 (Three) skills development programmes implemented as per WSP as at 30 June 2024	3 (Three) skills development programmes implemented as per WSP by 30 June 2025	Achieved: 11 skills development programme implemented as per WSP as at 30 June 2025	WSP Report	Achieved	N/A
To ensure effective organisational and management	8	10 (ten) senior & finance officials enrolled on MFMP	KPI 60	Dir. CpS	Number of senior & finance officials enrolled on MFMP	0	0	New KPI	10 (ten) senior & finance officials enrolled on MFMP competency	Not Achieved: 1 (One) senior & finance official was enrolled on MFMP on competency	No evidence provided	Not achieved	To align the annual target with the budget and resources

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
Management of human resources		competency levels by 31 March 2025			competency levels by 31 March 2025				levels by 31 March 2025	levels due to budget allocations by 31 March 2025			allocated to the department in the 2025/26 FY
To ensure effective organisational and management of human resources	8	400 employees undergone medical tests as required by OHS Act by 30 June 2025	KPI 61	Dir: CpS	Number of employees undergone medical tests as required by OHS Act by 30 June 2025	0	0	400 employees undergone medical tests as required by OHS Act as at 30 June 2024	400 employees undergone medical tests as required by OHS Act by 30 June 2025	Not Achieved: 0 employees have undergone medical tests as required by OHS Act by 30 June 2025	No evidence provided	Not achieved	Appoint Panel of medical practitioners
To ensure effective organisational and management of human resources	8	1 (One) consolidated EE Report submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	KPI 62	Dir: CpS	Number of consolidated EE Reports submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	0	0	1 (One) consolidated EE Report submitted to Department of Labour as at 15 January 2024 [EEA2 and EEA4]	1 (One) consolidated EE Report submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	Achieved: 1 (one): consolidated EE Report submitted to the Department of Labour on 14 January 2025	Employment Equity Plan and Email Transcript	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure effective organisational and management of human resources	8	Review and update 2025/26 EE Plan and numerical goals and targets by 30 September 2024	KPI 63	Dir: CpS	Reviewed and updated 2025/26 EE Plan and numerical goals and targets by 30 September 2024	0	0	2023/24 EE Plan and numerical goals and targets as at 30 June 2024	Reviewed and updated 2025/26 EE Plan and numerical goals and targets by 30 September 2024	Achieved: Reviewed and updated 2025/26 EE Plan and numerical goals and targets by 30 September 2024	EE Plan	Achieved	N/A
To ensure effective organisational and management of human resources	8	10 (ten) of LLF meetings held per annum by 30 June 2025	KPI 68	Dir: CpS	Number of LLF meetings held per annum by 30 June 2025	0	0	10 (ten) of LLF meetings held per annum by 30 June 2024	(10) LLF meetings held per annum by 30 June 2025	Not Achieved: (1) One LLF meeting was held dated 12 September 2024	Minutes of LLF Meeting	Not Achieved	Item will be submitted to council for council to reconstitute the LLF
To ensure effective organisational and management of human resources	8	90% implementation of LLF resolutions taken and implemented by 30 June 2025	KPI 69	Dir: CpS	% (percentage) implementation of LLF resolutions taken and implemented by 30 June 2025	0	0	85% implementation of LLF resolutions taken and implemented as at 30 June 2024	90% implementation of LLF resolutions taken and implemented by 30 June 2025	Not Achieved: 0% of LFF resolutions were not implemented by 30 June 2025	No evidence provided	Not Achieved	Provide training schedule for 12 Aug 2025

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities .	14	Update Standing Rules and Orders of Council and submit for approval by Council by 30 June 2025	KPI 70	Dir: CpS	Date of approval by Council of update Standing Rules and Orders of Council and submit by 30 June 2025	0	0	New KPI	Update Standing Rules and Orders of Council and submit for approval by Council by 30 June 2025	Not Achieved: Standing Rules and Orders of Council were not updated and submitted for approval by 30 June 2025	No evidence provided	Not Achieved	Resubmit item to council for council to consider new ad hoc committee
To ensure effective organisational and management of human resources	8	1 % of a municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	KPI 71	Dir: CpS	% (percentage) of a municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	0	0	1 % of a municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) as at 30 June 2024	1 % of a municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	Achieved: 1 % of a municipality's personnel budget spent on implementing its WSP by 30 June 2025	Municipal Budget	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities .	14	100% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	KPI 72	Dir. CpS	% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	0	0	98% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting as at 30 June 2024	100% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	Achieved: 100% Agendas of scheduled council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	evidence provided is not clear	Achieved	N/A
To ensure good governance and participation of communities .	14	100% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	KPI 73	Dir. CpS	% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	0	0	98% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	100% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	Achieved: 100% of council resolutions distributed internally to responsible departments within 7 working days after each council meetings	No evidence provided	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities .	14	Annual schedule of Council meetings for 2025/26 financial year compiled and approved by Council by 30 June 2025	KPI 74	Dir. CpS	Date of approval by council of annual schedule of Council meetings for 2025/26 financial year by 30 June 2025	0	0	Annual schedule of Council meetings for 2024/25 financial year approved by Council by 30 June 2024	Annual schedule of Council meetings for 2025/26 financial year compiled and approved by Council by 30 June 2025	Achieved: Annual schedule of Council meetings for 2025/26 financial year compiled and approved by Council by 30 June 2025	Schedule of council meetings and council resolution	Achieved	N/A

KPA 4: FINANCIAL VIABILITY AND MANAGEMENT

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure effective financial reporting compliant with applicable legislation.	12	2023/24 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements and submitted to the A-G on or before 31 August 2024	KPI 75	CFO	Date of submission of 2024/25 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements on or before 31 August 2025	0	0	2022/23 Fixed Asset Register (FAR) submitted to the A-G by 31 August 2023	2023/24 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements and submitted to the A-G on or before 31 August 2024	Achieved: 2023/24 Fixed Assets (FAR) compiled and updated in line with GRAP requirements and submitted to A-G on 31 August 2024	Updated 2023-24 Fixed Asset Register	Achieved	N/A
To ensure effective financial reporting compliant with applicable legislation.	12	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of each month	KPI 76	CFO	Number of monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of	0	0	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor by 30 June 2024	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of each month	Achieved: 12 Monthly budget statements compiled.	12 Monthly budget statements (s71 of MFMA) & email transcripts	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		by 30 June 2025			each month by 30 June 2025				by 30 June 2025				
To ensure effective financial reporting compliant with applicable legislation.	12	4 Quarterly National Treasury returns submitted by 30 June 2025	KPI 77	CFO	Number of quarterly National Treasury returns submitted by 30 June 2025	0	0	4 Quarterly National Treasury returns submitted as at 30 June 2024	4 Quarterly National Treasury returns submitted by 30 June 2025	Achieved: 4 National Treasury returns were submitted by 30 June 2025	4 Quarterly National Treasury Returns & GOMuni Portal Reports	Achieved	N/A
To ensure effective financial reporting compliant with applicable legislation.	12	2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	KPI 78	CFO	Date of submission of 2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager by	0	0	2023/24 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	Achieved: 2024/25 Mid-year performance assessment report was submitted to the Municipal Manager by 20 June 2025	Mid-year Budget and Performance Assessment Report	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022 -23	2023 -24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
					20 January 2025								
To ensure effective financial reporting compliant with applicable legislation.	12	2024/25 Mid-year adjustment budget submitted to Council by 28 February 2025 (s54 MFMA)	KPI 79	CFO	Date of submission of 2024/25 Mid-year adjustment budget submitted to Council	0	0	2023/24 Mid-year adjustment budget submitted to Council by 28 February 2024	2024/25 Mid-year adjustment budget submitted to Council by 28 February 2025	Achieved: 2024/25 Mid-year adjustment budget submitted to council on the 28 February	Mid-year adjustment Budget & Council Minutes	Achieved	N/A
To ensure sound budgeting and accounting systems compliant with applicable legislation.	9	Prepare 2025/26 annual budget (MTREF) compliant with MFMA and approved by	KPI 86	CFO	Date of approval of 2025/26 annual budget (MTREF) compliant with MFMA by Council	0	0	2024/25 annual budget (MTREF) compliant with MFMA and approved by Council by 31 May 2024	Prepare 2025/26 annual budget (MTREF) compliant with MFMA and approved by	Achieved: 2025/26 annual budget compliant with MFMA and approved by council on the 31 May 2025.	2025/26 Annual Budget Midterm revenue budget (MTREFT) and Minutes of Council	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
		Council by 31 May 2025							Council by 31 May 2025				
To ensure effective financial reporting compliant with applicable legislation.	12	Compiled 2023/24 Annual Financial Statement submitted to the Auditor-General by 31 August 2024	KPI 87	CFO	Date of submission of compiled 2023/24 Annual Financial Statement to the Auditor-General.	0	0	2022/23 Annual Financial Statement submitted to the Auditor-General by 31 August 2023	Compiled 2023/24 Annual Financial Statement submitted to the Auditor-General by 31 August 2024	Achieved: 2024/25 Mid-year adjustment budget submitted to council on the 28 February	Proof of submission of the AFS	Achieved	N/A
To ensure effective management of municipal expenditure.	11	Undisputed and valid creditors' invoices paid with 30 days of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	KPI 91	CFO	Number of days undisputed and valid creditors' invoices paid from date of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	0	0	Undisputed and valid creditors' invoices paid with 321 days of receipt of invoice as at 30 June 2024	Undisputed and valid creditors' invoices paid with 30 days of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	Not Achieved: lack of improved credit control therefore creditors were not paid within 30 days of receipt of invoice as per Sec 65 (2) (e) of MFMA	Creditors Age Analysis Report from SOLAR	Not Achieved	Improve credit control, continuation of cut offs and handing over to attorney

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities .	14	95% of tenders awarded within 90 days of tender closing date by 30 June 2025	KPI 92	CFO	% of tenders awarded within 90 days of tender closing date by 30 June 2025	0%	0%	95% of tenders awarded within 90 days of tender closing date by 30 June 2024	95% of tenders awarded within 90 days of tender closing date by 30 June 2025	Achieved: 96% of tenders awarded within 90 days of tender closing date by 30 June 2025	Newspaper advert, appointment letters	Not Achieved	The municipality will implement strict procurement planning, fixed committee timelines and regular progress reporting. In addition, the municipality will provide training for municipal staff on efficient procurement practises in the 2025-26 FY.
To ensure a financially	10	95% of consumer debtors	KPI 96	CFO	% of consumer debtors	0%	0%	78% of consumer debtors	95% of consumer debtors	Not Achieved: 51% of consumer	Debtors Age analysis	Not Achieved	Improve credit control,

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
viable municipality.		revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025			revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025			revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2024	revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025	debtors revenue was collected	Report has been provided		continuation of cut offs and handing over to attorney in the 2025-26 FY

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure good governance and participation of communities.	14	1 (One) customer satisfaction surveys completed by 31 March 2025 and submit report with recommendations to Council.	KPI 106	Com.Off	Number of customer satisfaction surveys completed by 31 March 2025 and proof of submission of report with recommendations to Council.	0	0	New KPI	1 (One) customer satisfaction surveys completed by 31 March 2025 and submit report with recommendations to Council.	Not achieved: 0 (Zero) customer satisfaction surveys completed by 31 March 2025 and submit report with recommendations to Council.	No evidence provided	Not Achieved	Municipality to develop an automated customer satisfaction survey in the 2025-26 FY
To ensure good governance and participation of communities.	14	90% of customer complaints handled / processed within 24 hrs by 30 June 2025	KPI 107	Mng: MMO	% of customer complaints handled / processed within 24 hrs by 30 June 2025	0%	0%	90% of customer complaints handled / processed within 24 hrs as at 30 June 2024	90% of customer complaints handled / processed within 24 hrs by 30 June 2025	Not achieved: 0% of customer complaints handled / processed within 24 hrs by 30 June 2025	No evidence provided	Not Achieved	Municipality to develop an automated customer complaints system in the 2025-26 FY

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
To ensure good governance and participation of communities.	14	2023/24 Annual Report tabled in council on or before 31 January 2025	KPI 108	Mng: PMS	2023/24 Annual Report tabled in council on or before 31 January 2025	0	0	2022/23 Annual Report tabled in council by 31 January 2024	2023/24 Annual Report tabled in council on or before 31 January 2025	Achieved: (1) Annual Report tabled in council	Minutes of Council	Achieved	N/A
To ensure good governance and participation of communities.	14	Annual review of IDP for 2025/26 financial year completed and submitted to Council by 31 May 2025	KPI 109	Mng: IDP	Date reviewed IDP for 2025/26 financial year completed and submitted to Council	0	0	Annual review of IDP for 2024/25 financial year completed and submitted to Council by 31 May 2024	Annual review of IDP for 2025/26 financial year completed and submitted to Council by 31 May 2025	Achieved: Annual review of IDP for 2024/26 was tabled in council on the 30 May 2025	Minutes of Council	Achieved	N/A
To ensure good governance and participation of communities.	14	2025/26 IDP Process plan adopted / approved by Council on or before 31 August 2024	KPI 111	Mng: IDP	Date of approval of 2025/26 IDP Process plan by Council	0	0	2024/25 IDP Process plan adopted by Council on or before 31 August 2023	2025/26 IDP Process plan adopted by Council on or before 31 August 2024	Achieved: 2025/26 IDP Process plan was adopted by council on the 30 th of August 2024	Minutes of Council	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure good governance and participation of communities.	14	Reduce repeat A-G audit findings in the 2023/24 audit report by 50% by 30 June 2025	KPI 112	Mng: MMO	% Reduction in repeat A-G audit findings in the 2023/24 audit report by 30 June 2025	0%	0%	New KPI	Reduce repeat A-G audit findings in the 2023/24 audit report by 50% by	Not Achieved: 50% of repeat A-G findings were not reduced in the 2023-24 FY audit	No evidence provided	Not Achieved	Departments to upload evidence FMCMM on the portal in the 2025-26 FY
To ensure good governance and participation of communities.	14	100% Implementation of the approved audit action plan by 30 June 2025	KPI 113	Mng: MMO	% Implementation of the approved audit action plan by 30 June 2025	0%	0%	74% Implementation of the approved audit action plan as at 30 June 2024	100% Implementation of the approved audit action plan by 30 June 2025	Not Achieved: 0% implementation of the audit approved audit action plan was not achieved as at 30 June 2025	No evidence provided	Not Achieved	Departments to upload evidence FMCMM on the portal in the 2025-26 FY
To ensure effective mitigation of risks to the municipality	13	Develop a risk based internal audit plan (RBAP) (MFMA - Section 165(2) (a)) for 2024/25 financial year and submit to the Audit	KPI 114	Mng: IA	Date of submission to the Audit Committee of developed risk based internal audit plan (RBAP) (MFMA-	0	0	Risk based internal audit plan (RBAP) (MFMA) - Section 165(2) (a) for 2023/24 financial year and submit to the Audit	Develop a risk based internal audit plan (RBAP) (MFMA Section 165(2) (a)) for 2024/25 financial year and submit to the Audit Committee by	Not Achieved: A risk based internal audit plan for the 2024-25 and submitted to the Audit Committee	The following evidence has been provided: the internal audit risk plan; minutes of	Not Achieved	The municipality to develop a risk register and update it regularly in the 2025-26 FY

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
		Committee by 31 August 2024.			Section 165(2)(a)			Committee by October 2023	31 August 2024.		the audit committee meeting and agenda.		
To ensure good governance and participation of communities.	14	4 Audit committee meetings held by 30 June 2025	KPI 115	Mng: IA	Number of audit committee meetings held by 30 June 2025	0	0	4 Audit committee meetings held by 30 June 2024	4 Audit committee meetings held by 30 June 2025	Achieved : 4 Audit Committee meetings held by 30 June 2025	Audit Committee Notice of Meetings, agenda, Minutes and attendance register	Achieved	N/A
To ensure good governance and participation of communities.	14	2025/26 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2025	KPI 116	Mng: IA	Date of approval of 2025/26 reviewed Internal Audit charter by the Audit Committee	0	0	2024/25 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2024	2025/26 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2025	Partially Achieved: 2025/26 Internal audit charter has been reviewed however it has not been approved by the Audit Committee by 30 June 2025	Internal Audit Charter for the 2025-26 financial year	Partially Achieved	Internal Audit to ensure that the audit charter is submitted to the audit committee for approval in line with the

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
													requirements of the KPI in the 2025-26 FY
To ensure good governance and participation of communities.	14	4 Internal audit reports produced by 30 June 2025	KPI 118	Mng: IA	Number of internal audit reports produced by 30 June 2025	0	0	4 Internal audit reports produced as at 30 June 2024	4 Internal audit reports produced by 30 June 2025	Achieved: 4 Internal audit reports produced by 30 June 2025	Internal Audit Reports	Achieved	N/A
To ensure good governance and participation of communities.	14	2025/26 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2025	KPI 119	Mng: PMS	Date of approval of 2025/26 Top-Layer SDBIP by the Executive Mayor	0	0	2024/25 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2024	2025/26 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2025	Achieved: 2025/26 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2025	Approved 2025/26 Top-Layer SDBIP by the Executive Mayor	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure good governance and participation of communities.	14	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	KPI 120	Mng: PMS	Number of quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	0	0	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP as at 30 June 2024	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	Achieved: 4 Quarterly Reports were submitted to council on the actual performance	Quarterly SDBIP Report, Council Agendas, & Minutes of Council	Achieved	N/A
To ensure good governance and participation of communities.	14	Submit the 2023/24 Annual Report to the Auditor-General by 31 August 2024	KPI 121	Mng: PMS	Date of submission of 2023/24 Annual Report to the Auditor-General	0	0	2022/23 Annual Report submitted to the Auditor-General by 31 August 2023	Submit the 2023/24 Annual Report to the Auditor-General by 31 August 2024	Achieved: Annual Report was submitted to AG by 31 August 2024	2023/24 Annual Report & Email Transcript	Achieved	N/A
To ensure good governance and participation of communities.	14	Review of PMS and submit it to Council for approval by 30 June 2025	KPI 122	Mng: PMS	Date of approval by Council of reviewed PMS	0	0	New KPI	Review of PMS and submit it to Council for approval by 30 June 2025	Achieved: PMS Framework was approved by council on the 26 th of June 2025	Review PMS Framework & Minutes of Council Meeting	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure good governance and participation of communities.	14	Submit the previous year's (2023/24) Annual Report to the Municipal Manager by the 25 th January 2025 for the purpose tabling to council in terms of MFMA section 127(2)	KPI 123	Mng: PMS	Date of submission of 2023/24 Annual Report to the Municipal Manager for the purpose tabling to council in terms of MFMA section 127(2)	0	0	New KPI	Submit the previous year's (2023/24) Annual Report to the Municipal Manager by the 25 th January 2025 for the purpose tabling to council in terms of MFMA section 127(2)	Achieved : 2023-24 Annual Report was tabled in council	2023-24 Annual Report & Minutes of Council Meeting	Achieved	N/A
To ensure good governance and participation of communities.	14	6 Draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	KPI 124	Mng: PMS	Number of draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	0	0	6 Draft performance agreements for 2024/25 financial year for senior managers submitted to the Municipal Manager as at 20 June 2024	6 Draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	Achieved : 6 Draft performance agreements for the 2024-25 FY year submitted to the Municipal Manager by 20 June 2025	6 Signed performance agreements	Achieved	N/A

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure effective mitigation of risks to the municipality	13	2024/25 Risk register compiled and approved by the Municipal Manager by 31 August 2024	KPI 125	CRO	Date of approval by the Municipal manager of 2024/25 Risk register compiled	0	0	None	2024/25 Risk register compiled and approved by the Municipal Manager by 31 August 2024	Not Achieved: 2024/25 Risk register was not compiled and approved by the Municipal Manager by 31 August 2024	No evidence provided	Not Achieved	Municipality to develop and approved by the Municipal Manager in line with requirements of the KPI
To ensure effective mitigation of risks to the municipality	13	4 Quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	KPI 126	CRO	Number of quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	0	0	New KPI	4 Quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	Not Achieved: 0 Quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	No evidence provided	Not Achieved	Municipality to develop 4 Quarterly risk reports to monitor the progress of identified risks in the 2025-26FY
To ensure good governance and participatio	14	4 Community report back meetings convened by Councillors for	KPI 127	Mng: OSpk	Number of community report back meetings convened by	0	0	4 Community report back meetings convened by Councillors	4 Community report back meetings convened by Councillors for	Not Achieved: 0 Community report back meetings convened by	Attendance register	Not Achieved	Department to provide Portfolio of evidence in line with

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	S O ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
n of communities.		improved communication on service delivery including IDPs, SDBIP by 30 June 2025			Councillors for improved communication on service delivery including IDPs, SDBIP by 30 June 2025			for improved communication on service delivery including IDPs, SDBIP as at 30 June 2024	improved communication on service delivery including IDPs, SDBIP by 30 June 2025	Councillors for improved communication on service delivery including IDPs, SDBIP by 30 June 2025 Attendance registers were provided however no reports were submitted in line with TID			the requirements of the KPI in the 2025-26 FY
To ensure good governance and participation of communities.	14	4 Quarterly meetings per ward by 30 June 2025 (i.e. 4 x 19 = 76 meetings held)	KPI 128	Mng: OSpk	Number of meetings per ward by 30 June 2025 (i.e. 4 x 19 = 76 meeting held)	0	0	3 Meetings per ward per quarter held as at 30 June 2024	4 Quarterly meetings held per ward by 30 June 2025 (i.e. 4 x 19 = 76 meeting held)	Not Achieved: 4 Quarterly meetings held per ward by 30 June 2025. Attendance registers were provided however no reports were submitted in line with TID	Attendance registers	Not Achieved	Department to provide Portfolio of evidence in line with the requirements of the KPI

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators								Annual Performance Targets					
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/Comments for Annual Performance	Corrective Measure(s) Taken/To be taken to improve performance
To ensure good governance and participation of communities.	14	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	KPI 130	Mng: OSpk	Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	0	0	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) as at 30 June 2025	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	Not Achieved: 4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025. Attendance registers were provided however no reports were submitted in line with TID	Attendance register	Not Achieved	Department to provide Portfolio of evidence in line with the requirements of the KPI
To ensure provision of social services to communities.	5	12 Awareness campaigns on LGSTI+ issues held throughout the municipality on monthly basis by 30 June 2025	KPI 132	Mng: OSpk	Number of Awareness campaigns on LGBTI+ issues held throughout the municipality on monthly basis	0	0	Zero	12 Awareness campaigns on LGBTI+ issues held throughout the municipality on monthly basis by 30 June 2025	Not Achieved: One (1) awareness campaign on LGBTI issue was held by 30 June 2025	No evidence provided	Not Achieved	The municipality will enhance strategic planning and conduct

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation													
Strategic Objectives and Performance Indicators							Annual Performance Targets						
For the Period 1 July 2024 – 30 June 2025													
IDP Strategic Objectives	SO ID	Key Performance Indicator (KPI)	KPI ID/Ref. No.	KPI Owner	Unit of measure	2022-23	2023-24	Baseline	Annual Target	Annual Performance 2024-25	Source of Evidence	Internal Audit Findings/ Comments for Annual Performance	Corrective Measure(s) Taken/ To be taken to improve performance
					by 30 June 2025								regular progress monitoring
To ensure provision of social services to communities.	5	12 Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	KPI 133	Mng: OSpk	Number of Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	0	0	Zero	12 Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	Not Achieved: 0 Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	No evidence provided	Not Achieved	The municipality will enhance strategic planning and conduct regular progress monitoring

Process Followed and Justification for Amendments made to KPIs

Section 7.3 of MFMA Circular 129 outlines the criteria and conditions under which a municipality may amend the KPIs in the SDBIP during the financial year. During 2024/25 Mid-term performance review, the municipality conducted an assessment of its performance management planning process and this was also in line with the recommendations of the Auditor-General in terms of paragraph 101(a) of the 2024/25 Audit Report. Out the assessment and investigation process for non-compliance and material irregularity finding that was issues by the Auditor-General, it was apparent that there was a need to also reconsider the initial KPI and targets that were set in order rationalise the municipality's performance management value chain in order to ultimately improve in this areas.

The municipality then adjusted a number of its KPIs as outlined in the tables that will follow in order to address amongst others, the following key issues that were identified to be a potential impediment for effective and meaningful performance and improved accountability.

a) Overcrowding of the KPI in the SDBIP:

During mid-term performance assessment, it became apparent that an extensive number of KPIs were included in the strategic scorecard or top-layer SDBIP or without aggregating departmental output indicators or lower layer SDBIP. This high volume of indicators in top-layer SDBIP dilute focus and make monitoring cumbersome. There was therefore a need to streamline our indicators by consolidating KPIs in the top-layer SDBIP, focusing on most critical indicators in achieving strategic objectives, ensuring a more manageable and effective monitoring process.

b) Clarity of objectives:

Most KPIs lacked clarity regarding their alignment with the Council's strategic objectives and intended service delivery outcomes outlined in the IDP, and therefore because of this strategic alignment, they lacked relevance and purpose.

c) Resetting KPIs in line with the SMART criteria:

Most of the KPIs did not meet the SMART criteria (Specific, Measurable, Achievable, Relevant, and Time-bound) and therefore had to be revised in order to also in line with the criteria and also the strategic objectives or priorities outlined in IDPs, to enable better monitoring of progress, identifying performance challenges, and taking timely corrective actions.

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The following criteria as set out in MFMA Circular 129 outlines the conditions under which a municipality may amend the KPIs in the SDBIP during the financial year, and the adjustments to our KPIs were accordingly done in line with these guidelines:

Internal factors
<ol style="list-style-type: none">1. Only KPI targets may be adjusted due to under-collection of revenue or reprioritisation of funds, in terms of the council-approved adjustments budget referred to in Section 28(2) (a, e & d) of the MFMA.2. Only KPI targets may be adjusted during the financial year, in line with Section 28(2)(b), to account for additional funding or resources that have become available during the financial year, enabling the revision or acceleration of spending programme already prioritised in the IDP.3. KPI description may be revised to correct errors in the wording. An explanation for the correction must accompany the revision.4. KPIs may be adjusted to align with changes in municipal circumstances or emergencies, provided these adjustments remain consistent with the strategic objectives and priorities outlined in the IDP. The reasons for these changes must be clearly explained in the revised SDBIP
External Factors
<ol style="list-style-type: none">1. KPIs may be adjusted in response to amendments to legislation, government policies, or frameworks introduced by national or relevant provincial departments, affecting original KPIs. The related legislation or policy must be referenced and documented as evidence for the change.2. KPIs may be changed to respond to natural disasters, unforeseeable or unavoidable expenditures referred to in Sections 28(2)(c) and 29 of the MFMA. The reasons for these changes must be adequately justified.3. KPIs may change because of revisions to nationally prescribed indicators as contemplated by the applicable legislation or circular. An explanation for these KPI revisions must be articulated in the SDBIP, referencing the relevant legislation, framework or circular.
Cross-cutting planning and reporting conditions
<ol style="list-style-type: none">1. Municipalities must reflect all KPI changes in their SDBIPs and APRs, providing clear and justifiable reasons for each change and detailing the process followed.2. Both the original and revised KPIs must continue to be reported on in the Section 52(d) of the MFMA and the APR for accountability and transparency.3. KPI changes are prohibited during the fourth quarter of the financial year (April – June). Only KPI changes in relation to natural disaster or unavoidable or unforeseen expenditure will be permitted during the fourth quarter of the financial year.

KPA 1: Basic Service Delivery and Infrastructure Development

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of HH in municipal supply area meet agreed electricity service standards (connected to the national grid).	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	KPI 01	Dir: TS	Sum of HH with access to electricity (connected to the National Grid)	Number of additional households in municipal supply area connected to electricity grid by 30 June 2025	25794 households in municipal supply area connected to electricity grid at 30 June 2024	25 847	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	The KPI description was revised to correct the wording and correct and express the target in logical quantifiable value in line with the SMART criteria (i.e the actual quantifiable target was not meant to be 25 847 in one financial year, but the difference between the baseline and the annual target set).
Number of new electricity connections meeting minimum standards.	799 of new household electricity connections completed by 30 June 2025	KPI 02	Dir: TS	Sum of HH with new services connectivity services	Number of New household electricity connections completed by 30 June 2025	New KPI	799	799 of new household electricity connections completed by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% Electricity distribution losses. (KWH billed/KWH acquired) (MFMA Circular 71)	60% Reduction in electricity distribution losses by 30 June 2025	KPI 03	Dir: TS	(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and / or Generated) × 100	% (percentage) Reduction in electricity distribution losses by 30 June 2025	New KPI	60%	60% Reduction in electricity distribution losses by 30 June 2025.	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
KMs of new paved roads to be built in Schonkenville		KPI04	Dir: TS	Sum of km new paved roads built in Schonkenville		1 km	0 km		This KPI was not included in the Revised SDBIP.
KMs of new paved roads to be built in Mokwallo		KPI05	Dir: TS	Sum of km new paved roads built in Mokwallo		2 km	0 km		This KPI was not included in the Revised SDBIP.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
m ² of potholes patched	40 000 m ² of potholes patched by 30 June 2025	KPI06	Dir: TS	Sum of m ² of potholes patched	Number of m ² of potholes patched by 30 June 2025	New KPI	40 000m	40 000 m ² of potholes patched by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Kms of storm water drainages built, rehabilitated, or replaced in addition to existing one	3.2 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	KPI 07	Dir: TS	Sum of km storm water drainage installed in addition to current one	Number of kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	1.8 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2024	3.2km	3.2 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Sanitation Master Plan that meets prescribed requirements developed and approved by Council.	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	KPI 08	Dir: TS	Date master plan approved.	Number of Credible Sanitation Master Plan developed by 30 June 2025	N/A	30 June 2025	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of HHs with access to basic sanitation	60 additional households in municipal supply area with access to basic sanitation service by 30 June 2025	KPI 09	Dir: TS	Sum of HH with access to basic sanitation	Number of additional households in municipal supply area with access to basic sanitation by 30 June 2025	34 713 households in municipal supply area with access to basic sanitation at 30 June 2024	34 713	60 additional households in municipal supply area with access to basic by 30 June 2025	The KPI description was revised to correct the wording and correct and express the target in logical quantifiable value in line with the SMART criteria (i.e the actual quantifiable target was not meant to be 34 713 in one financial year, but the difference between the baseline and the annual target set).

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Wastewater quality compliance according to the water use license.	96% Wastewater quality compliance rate according to the water use license by 30 June 2025	KPI 10	Dir: TS	No of tests conducted complying with the license requirements.	% (percentage) rate of Wastewater quality compliance according to the water use license by 30 June 2025	New KPI	96%	96% Wastewater quality compliance rate according to the water use license by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% Reduction in water losses in the municipal distribution area.	25% Reduction in water distribution losses by 30 June 2025	KPI 12	Dir: TS	(Number of Kiloliters Water Purchased or Purified - Number of Kiloliters Water Sold) / Number of Kiloliters Water Purchased or Purified × 100	% (percentage) Reduction in water distribution losses by 30 June 2025	New KPI	25%	25% Reduction in water distribution losses by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
No of HH in formal settlements including plots and small holdings that meet the minimum water services standard.	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	KPI 13	Dir: TS	Number of HH with access to water within 200m	No of additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	34 846	34 896	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	The KPI description was revised to correct the wording and correct and express the target in logical quantifiable value in line with the SMART criteria (i.e the actual quantifiable target was not meant to be 34 896 in one financial year, but the difference between the baseline and the annual target set).
Number of new water connections meeting minimum standards.	2 new household water connections completed by 30 June 2025	KPI 14	Dir: TS	Sum of new water connections meeting minimum standards as at 30 June.	Number of new household water connections completed by 30 June 2025	New KPI	2	2 new household water connections completed by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of sample tests conducted to measure the water Quality.	60 sample tests conducted to measure water quality by 30 June 2025	KPI 15	Dir: TS	Sum of sample tests conducted.	Number of sample tests conducted to measure water quality by 30 June 2025	New KPI	60	60 Sample tests conducted to measure water quality by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Percentage of Drinking Water Compliance to SANS241	95% Compliance rate of drinking water to SANS241 by 30 June 2025	KPI 16	Dir: TS	Number of tested samples compliant/ total number of samples taken	%(percentage) Compliance rate of drinking water compliance to SANS241 by 30 June 2025	New KPI	95%	95% Compliance rate of drinking water to SANS241 by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Construction of secondary bulk supply in Koppies and Kwakwatsi	15 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi by 30 June 2025	KPI 17	Dir: TS	Sum of km new line of secondary bulk supply in Koppies and Kwakwatsi	Number of kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi by 30 June 2025	5 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi at 30 June 2024	15 km	15 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Percentage expenditure of the annual MIG allocation year-to date	100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	KPI 30	Dir: TS	Total amount spent/total allocation.	%(percentage) of expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	New KPI	100%	100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Business plans submitted to request funding for the Upgrading of the Town Hall and Parys Main building phase 1.		KPI 30(1)	Dir: CS	Sum of business plans submitted.		New KPI	30 June 2025		This KPI was not included in the Revised SDBIP.
Business plans submitted to request funding for the development of park in line with Urban Greening.		KPI 31	Dir: CS	Sum of business plans submitted.		New KPI	1		This KPI was not included in the Revised SDBIP.
Number of illegal dumping sports removed	9 Illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	KPI 32	Dir: CS	Sum of illegal dumping sports removed	Number of illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	New KPI	9	9 Illegal dumping spots removed in the area of jurisdiction of NLM by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of Clean up campaigns conducted	4 Clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	KPI 33	Dir: CS	Sum of clean up campaigns conducted	Number of clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	New KPI	4	4 Clean-up campaigns conducted in the area of jurisdiction of NLM by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of households in municipal area with access to refuse removal.	42 000 households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	KPI 34	Dir: CS	Sum of HHHs in municipal areas with access to refuse removal.	Number of households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	42 000 households and businesses in municipal area with access to weekly refuse removal services at 30 June 2024	42 000	42 000 households and businesses in municipal area with access to weekly refuse removal services by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Develop a cemetery management plan.	1 (one) Cemetery management plan developed by 30 June 2025	KPI 35	Dir: CS	Date Plan approved.	Number of cemetery management plans developed by 30 June 2025	New KPI	30 June	1 (one) Cemetery management plan developed by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Fencing of cemeteries		KPI 36	Dir: CS	Sum of fencing of cemeteries		New KPI	1		This KPI was not included in the Revised SDBIP.
Number of Halls and facilities maintained.		KPI 37	Dir: CS	Sum of Community halls/facilities maintained.		New KPI	1		This KPI was not included in the Revised SDBIP.
Number of Halls and facilities upgraded.	1 (one) Hall and facilities (i.e Mosepedi hall) upgraded by 30 June 2025	KPI 38	Dir: TS	Sum of Community halls/facilities upgraded.	Number and name of Halls and facilities upgraded by 30 June 2025	1 Hall and facilities upgraded at 30 June 2024	1	1 (one) Hall and facilities (i.e Mosepedi hall) upgraded by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Disaster Management Plan for the municipality reviewed and approved for a period of 5 years.	Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025	KPI 39	Dir: CS	Date DMP approved	Date of approval by Council of the reviewed Disaster Management Plan for the municipality by 30 June 2025	New KPI	30 June	Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 1: Basic Service Delivery and Infrastructure Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of premises inspected for fire safety and compliance	300 premises inspected for fire safety and compliance by 30 June 2025	KPI 40	Dir: CS	Sum of premises inspected for fire safety and compliance	Number of premises inspected for fire safety and compliance by 30 June 2025	New PKI	300	300 premises inspected for fire safety and compliance by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Percentage compliance with the required attendance time for structural firefighting incidents.	100% Compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	KPI 41	Dir: CS	Rate of compliance	% (percentage) compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	New KPI	100%	100% Compliance with the required attendance time for all reported structural firefighting incidents by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

KPA 2: Local Economic Development

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KPA 2: Local Economic Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Review Tourism Sector Plan and submit to Council by 30 June 2025.		KPI 42	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.
LED Strategy reviewed and submitted to Council for approval by 30 June 2025.		KPI 43	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.
Marketing strategy for the Municipality developed and approved by the Director.		KPI 44	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.
Housing Sector Plan reviewed and approved by Director annually.		KPI 45	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.

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KPA 2: Local Economic Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Application for Level 1 Accreditation of the Municipality submitted for approval by June 2024.		KPI 46	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.
Housing and Erven allocation policy reviewed customised and submitted for approval.		KPI 47	Dir: LED	New KPI		New KPI	31 Dec		This KPI was not included in the Revised SDBIP.
Spatial Development framework reviewed and approved by June annually.	Spatial Development Framework reviewed and approved by Council by 30 June 2025	KPI 48	Dir: LED	New KPI	Date of approval by Council of reviewed Spatial Development Framework by 30 June 2025	New KPI	30 June	Spatial Development Framework reviewed and approved by Council by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Land Use Scheme reviewed and approved by June annually.		KPI 49	Dir: LED	New KPI		New KPI	30 June		This KPI was not included in the Revised SDBIP.

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KPA 2: Local Economic Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Percentage of Building Plans received and processed within a period of 60 days	90% of Building Plans applications received and processed within a period of 60 days by 30 June 2025	KPI 50	Dir: LED	New KPI	% (Percentage) of Building Plans applications received and processed within a period of 60 days by 30 June 2025	New KPI	90%	90% of Building Plans applications received and processed within a period of 60 days by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Percentage of applications for rezoning received and processed within 90 days.	90 % of applications for rezoning received and processed within 90 days by 30 June 2025	KPI 51	Dir: LED	New KPI	% (Percentage) of applications for rezoning received and processed within 90 days by 30 June 2025	New KPI	90%	90 % of applications for rezoning received and processed within 90 days by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Develop and update SMME register	1 (One) SMME register developed and continuously updated by 30 June 2025	KPI 52	Dir: LED	New KPI	Number of SMME registers developed and continuously updated by 30 June 2025	New KPI	1	1 (One) SMME register developed and continuously updated by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 2: Local Economic Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Develop and review Commonage Management policy to Council by 30 June annually		KPI 53	Dir: LED	New KPI		New KPI	30 June 2025		This KPI was not included in the Revised SDBIP.

KPA 3: Municipal Transformation and Organisational Development

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KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of Council Resolutions implemented within prescribed timeframe stipulated on resolution register	87% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	KPI 54	Dir: CpS	Number of council resolutions implemented within time frame divided by total Number of resolutions	% (percentage) of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	85% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2024	87%	87% of Council Resolutions implemented within prescribed timeframe stipulated on resolutions register by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of quarterly reports to Council on the tracking of council resolutions (submitted at the end of each quarter - Sept, Dec, Mar & Apr)	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2025	KPI 55	Dir: CpS	Number of reports submitted.	Number of quarterly reports submitted to Council on the tracking of council by June 2025	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2024	4 X Reports submitted per annum	4 (Four) quarterly reports submitted to Council on the tracking of council resolutions by June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	20% of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	KPI 56	Dir: CpS	Number of employees from designated groups in three highest levels of management divided by total Number of employees in three highest levels of management	% (percentage) of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	69% of employment equity targets met as at 30 June 2024	20	20% (percentage) of new employees coming from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to LGSETA on 30 April each year.	WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to LGSETA by 30 April 2025	KPI 57	Dir: CpS	Date annual training report and WSP submitted to the LGSETA	Date of submission of compiled WSP, annual training report (ATR) & PIVOTAL report to LGSETA by 30 April 2025	30 April 2024 Submission date in 2023/24 financial year	30 April	WSP, annual training report (ATR) & PIVOTAL report compiled and submitted to LGSETA by 30 April 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of Apprenticeships implemented as per WSP.	1 (One) Apprenticeships implemented as per WSP by 31 March 2025	KPI 58	Dir: CpS	Sum of Apprenticeships implemented	Number of Apprenticeships implemented as per WSP by 31 March 2025	1 (One) Apprenticeships implemented as per WSP as at 30 June 2024	1	1 (One) Apprenticeships implemented as per WSP by 31 March 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of skills programmes implemented	3 (Three) skills development programmes implemented as per WSP by 30 June 2025	KPI 59	Dir: CpS	Sum of skills programmes implemented	Number of skills development programmes implemented as per WSP by 30 June 2025	3 (Three) skills development programmes implemented as per WSP as at 30 June 2024	3	3 (Three) skills development programmes implemented as per WSP by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of Senior & Finance officials trained on MFMP competency levels	10 (ten) senior & finance officials enrolled on MFMP competency levels by 31 March 2025	KPI 60	Dir: CpS	Sum of students enrolled	Number of senior & finance officials enrolled on MFMP competency levels by 31 March 2025	New KPI	10	10 (ten) senior & finance officials enrolled on MFMP competency levels by 31 March 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of employees undergoing medical tests annually as required by OHSA	400 employees undergone medical tests as required by OHSA by 30 June 2025	KPI 61	Dir: CpS	Sum of employees undergoing medical tests	Number of employees undergone medical tests as required by OHSA by 30 June 2025	400 employees undergone medical tests as required by OHSA as at 30 June 2024	400 per annum	400 employees undergone medical tests as required by OHSA by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of EE Reports submitted to DoL by 15 January each year [EEA2 and EEA4]	1 (One) consolidated EE Report submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	KPI 62	Dir: CpS	Sum of reports submitted	Number of consolidated EE Reports submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	1 (One) consolidated EE Report submitted to Department of Labour as at 15 January 2024 [EEA2 and EEA4]	EEA4 and EEA2 form submitted to DoL	1 (One) consolidated EE Report submitted to Department of Labour by 15 January 2025 [EEA2 and EEA4]	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Review of EE Plan and numerical goals and targets annually	Review and update 2025/26 EE Plan and numerical goals and targets by 30 September 2024	KPI 63	Dir: CpS	Revised EE Plan and Council Resolution	Reviewed and updated 2025/26 EE Plan and numerical goals and targets by 30 September 2024	2023/24 EE Plan and numerical goals and targets as at 30 June 2024	Annual Review	Reviewed and updated 2025/26 EE Plan and numerical goals and targets by 30 September 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Development of ICT Master Plan and for MSP to be considered and approved by Council		KPI 64	Dir: CpS	Date ICT Master plan approved by Council.		New KPI	25 June		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Procurement of necessary backup and disaster recovery infrastructure.		KPI 65	Dir: CpS	Date of Procurement		New KPI	24 Dec		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Identification of strategic municipal sites, and appointment of internet service provider.		KPI 66	Dir: CpS	Date of Procurement		New KPI	24 Sept		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Procurement of telecommunications services for Cloud VoIP.		KPI 67	Dir: CpS	Date of Procurement		New KPI	24 Dec		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Number of LLF meetings held per annum	10 (ten) of LLF meetings held per annum by 30 June 2025	KPI 68	Dir: CpS	Sum of LLF meetings held per year	Number of LLF meetings held per annum by 30 June 2025	10 (ten) of LLF meetings held per annum as at 30 June 2024	10 X per annum	10 (ten) of LLF meetings held per annum by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% implementation of LLF resolutions taken (including monitoring of SALGBC collective agreements)	90% implementation of LLF resolutions taken and implemented by 30 June 2025	KPI 69	Dir: CpS	Number of LLF resolutions taken/Number of resolutions implemented	% (percentage) implementation of LLF resolutions taken and implemented by 30 June 2025	85% implementation of LLF resolutions taken and implemented as at 30 June 2024	90%	90% implementation of LLF resolutions taken and implemented by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Update Standing Rules and Orders by 30 June 2024	Update Standing Rules and Orders of Council and submit for approval by Council by 30 June 2025	KPI 70	Dir: CpS	Date Standing Rules and Orders approved by Council	Date of approval by Council of update Standing Rules and Orders of Council and submit by 30 June 2025	New KPI	30 June	Update Standing Rules and Orders of Council and submit for approval by Council by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% of a municipality's personnel budget spent on implementing its workplace skills plan;	1 % of the municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	KPI 71	Dir: CpS	R value spent on training divided by total personnel budget value of the municipality	% (percentage) of the municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	1 % of the municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) as at 30 June 2024	1%	1 % of the municipality's personnel budget spent on implementing its Workplace Skills Plan (WSP) by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of agendas for scheduled meetings distributed to Councillors and officials at least 48 hours before the meeting	100% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	KPI 72	Dir: CpS	Number of agendas distributed 48 hours before the meeting divided by the total Number of agendas distributed	% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	98% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting as at 30 June 2024	100% for each quarter	100% of agendas for scheduled Council meetings distributed to Councillors and officials at least 48 hours before the meeting by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% of Council resolutions distributed within 7 working days after each meeting	100% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	KPI 73	Dir: CpS	Number of council resolutions distributed within 7 days after each council meeting divided by Number of council resolutions taken	% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	98% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	100% for each quarter	100% of Council resolutions distributed internally to responsible departments within 7 working days after each Council meeting by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 3: Municipal Transformation and Organisational Development									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Annual council schedule compiled and approved by end of June each year	Annual schedule of Council meetings for 2025/26 financial year compiled and approved by Council by 30 June 2025	KPI 74	Dir: CpS	Annual Schedule provided on or before due date	Date of approval by council of annual schedule of Council meetings for 2025/26 financial year by 30 June 2025	Annual schedule of Council meetings for 2024/25 financial year approved by Council by 30 June 2024	30 June	Annual schedule of Council meetings for 2025/26 financial year compiled and approved by Council by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

KPA 4: Financial Viability and Management

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Fixed Asset Register (FAR) compiled and updated annually on or before 31 Aug in line with GRAP requirements	2023/24 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements and submitted to the A-G on or before 31 August 2024	KPI 75	CFO	Fixed Asset Register (FAR)	Date of submission of 2024/25 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements on or before 31 August 2025	2022/23 Fixed Asset Register (FAR) submitted to the A-G by 31 August 2023	1	2023/24 Fixed Asset Register (FAR) compiled and updated in line with GRAP requirements and submitted to the A-G on or before 31 August 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of monthly budget statements (s71 of MFMA) are compiled and submitted to the Mayor by no later than 10 working days after the end of each month	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of each month by 30 June 2025	KPI 76	CFO	Working days taken to submit sec 71 report after end of month	Number of monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of each month by 30 June 2025	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor by 30 June 2024	12	12 Monthly budget statements (s71 of MFMA) compiled and submitted to the Mayor not later than 10 working days after the end of each month by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of quarterly National Treasury returns submitted.	4 Quarterly National Treasury returns submitted by 30 June 2025	KPI 77	CFO	Sum of returns submitted.	Number of quarterly National Treasury returns submitted by 30 June 2025	4 Quarterly National Treasury returns submitted as at 30 June 2024	4	4 Quarterly National Treasury returns submitted by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Mid-year budget assessment and budget adjustments report submitted on or before 25 January each year (s72 of MFMA)	2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	KPI 78	CFO	Date Mid-year assessment submitted	Date of submission of 2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager by 20 January 2025	2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	25 Jan annually	2024/25 Mid-year budget and performance assessment (s72 of MFMA) report submitted to the Municipal Manager on or before 20 January 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Adjustment budget submitted to Council by 28 February annually (s54 MFMA)	2024/25 Mid-year adjustment budget submitted to Council by 28 February 2025 (s54 MFMA)	KPI 79	CFO	Date adjustment budget submitted.	Date of submission of 2024/25 Mid-year adjustment budget submitted to Council	2023/24 Mid-year adjustment budget submitted to Council by 28 February 2024	28 Feb	2024/25 Mid-year adjustment budget submitted to Council by 28 February 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of Operating Expenditure Budget Implementation Indicator		KPI 80	CFO	Actual Operating Expenditure / Budgeted Operating Expenditure x 100		95%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Service Charges and Property Rates Revenue Budget Implementation Indicator		KP 81	CFO	Actual Service Charges and Property Rates Revenue / Budgeted Service Charges and Property Rates Revenue x 100		95%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Financial Viability: Cost coverage (Reg 796)		KPI 82	CFO	Where - "A" represents cost coverage "B" represents all available cash at a particular time "C" represents investments "D" represents monthly fixed operating expenditure A=(B+C)/D		≥1	≥1		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Financial Viability: Debt coverage (Reg 796)		KPI 83	CFO	Where - "A" represents debt coverage "B" represents total operating revenue received "C" represents operating grants "D" represents debt service payments (i.e. interest + redemption) due within the financial year; A=(B-C)/D		4%	≥45%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY
Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Financial Viability: Service debtors to revenue (Reg 796)		KPI 84	CFO	Where - "A" represents outstanding service debtors to revenue "B" represents total outstanding service debtors "C" represents annual revenue actually received for services; A=(B/C)		96%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan (MFMA Circular 71)		KPI 85	CFO	Actual Capital Expenditure / Budget Capital Expenditure x 100.		96%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Compliant annual budget (MTREF) compiled and approved by end of May each year	Prepare 2025/26 annual budget (MTREF) compliant with MFMA and approved by Council by 31 May 2025	KPI 86	CFO	Actual date budget approved	Date of approval of 2025/26 annual budget (MTREF) compliant with MFMA by Council	2024/25 annual budget (MTREF) compliant with MFMA and approved by Council by 31 May 2024	31 May	Prepare 2025/26 annual budget (MTREF) compliant with MFMA and approved by Council by 31 May 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Compiled Annual Financial Statement submitted to the Auditor-General by the end of August each year	Compiled 2023/24 Annual Financial Statement submitted to the Auditor-General by 31 August 2024	KPI 87	CFO	Date annual financial statements submitted to the AG	Date of submission of compiled 2023/24 Annual Financial Statement to the Auditor-General.	2022/23 Annual Financial Statement submitted to the Auditor-General by 31 August 2023	31 Aug	Compiled 2023/24 Annual Financial Statement submitted to the Auditor-General by 31 August 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of SCM reports submitted to Council		KPI 88	CFO	Sum of reports submitted		4 x reports submitted per annum	4 x reports submitted per annum		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area.		KPI 89	CFO	Expenditure spent on local contracted services/total expenditure of municipal operating expenditure		NEW KPI	25%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% actual expenditure on repairs and maintenance as a percentage of the approved/adjusted budget		KPI 90	CFO	Total Repairs and Maintenance Expenditure /Total amount budgeted for repairs and maintenance x 100		84%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Creditors Payment period (Creditors are paid within 30 days as per Sec 65(2)(e) of the MFMA	Undisputed and valid creditors' invoices paid with 30 days of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	KPI 91	CFO	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	Number of days undisputed and valid creditors' invoices paid from date of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	Undisputed and valid creditors' invoices paid with 321 days of receipt of invoice as at 30 June 2024	<30 days	Undisputed and valid creditors' invoices paid with 30 days of receipt of invoice as per Sec 65(2)(e) of the MFMA by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% of tenders awarded within 90 days of tender closing date	95% of tenders awarded within 90 days of tender closing date by 30 June 2025	KPI 92	CFO	Number of tenders awarded/Tenders awarded within 90 days	% of tenders awarded within 90 days of tender closing date by 30 June 2025	95% of tenders awarded within 90 days of tender closing date by 30 June 2024	95%	95% of tenders awarded within 90 days of tender closing date by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
% of registered indigent Households that receive free basic services		KPI 93	CFO	No of households registered as indigent/Total No of HH X100		≤43%	≤43%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Rand value of free basic services to all households as a % of the equitable share		KPI 94	CFO	Rand value of free basic services divided by the equitable share X 100		33%	≤30%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Rand value of free basic services to all households		KPI 95	CFO	Sum of value of free basic services (all services)		≤R65ML	≤71ML		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
% of consumer debtors revenue collected (actual total collections as a percentage of total levies/billings)	95% of consumer debtors revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025	KPI 96	CFO	Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	% of consumer debtors revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025	78% of consumer debtors revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2024	95%	95% of consumer debtors revenue collected (actual total collections as a percentage of total levies/billings) by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Net Operating Surplus Margin (MFMA Circular 71)		KPI 99	CFO	(Total Operating Revenue – Total Operating Expenditure)/ Total Operating Revenue x 100%		2%	≥0%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
% Own Source Revenue to Total Operating Revenue (MFMA Circular 71)		KPI 100	CFO	Own Source Revenue (Total Revenue - Government Grants and Subsidies – Public Contribution and Donations)/ Total Operating Revenue (Including Agency Services) x 100		84%	95%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

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Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of formal households connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) at 30 June		KPI 101	CFO	Number of households which are billed for electricity or have pre- paid meters (Excluding Eskom areas) at 30 June		42 000	42 000		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Number of households which are billed for water or have pre-paid meters as at 30 June 2025.		KPI 102	CFO	Sum of households which are billed for water or hae pre-paid meters by 30 June 2025.		42 000 per annum	42 000		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Number of households which are billed for refuse removal as at 30 June 2025.		KPI 103	CFO	Sum of households which are billed for refuse removal as at 30 June 2025.		42 000 per annum	42 000		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

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Draft Annual Report: 2024-25

KPA 4: Financial Viability and Management									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of households which are billed for sewerage as at 30 June 2025.		KPI 104	CFO	Number of households which are billed for sewerage as at 30 June 2025.		42 000 per annum	42 000		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria
Compiling and ensure compliance with the directorate action plan to address the residual risk		KPI 105	CFO	Signed Action Plan		1	1		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

KPA 5: Good Governance and Public Participation

NGWATHE LOCAL MUNICIPALITY

Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Complete a customer satisfaction survey by end of March and submit report with recommendations to Council	1 (One) customer satisfaction surveys completed by 31 March 2025 and submit report with recommendations to Council.	KPI 106	Com.Off	Number of surveys conducted and Number of reports submitted to council	Number of customer satisfaction surveys completed by 31 March 2025 and proof of submission of report with recommendations to Council.	New KPI	1	1 (One) customer satisfaction surveys completed by 31 March 2025 and submit report with recommendations to Council.	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% of customer complaints handled within 24 hrs.	90% of customer complaints handled / processed within 24 hrs by 30 June 2025	KPI 107	Mng: MMO	Number of complaints received/Number of complaints resolved within 24 hours	% of customer complaints handled / processed within 24 hrs by 30 June 2025	90% of customer complaints handled / processed within 24 hrs as at 30 June 2024	90%	90% of customer complaints handled / processed within 24 hrs by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Annual Report tabled in council on or before 31 Jan annually	2023/24 Annual Report tabled in council on or before 31 January 2025	KPI 108	Mng: PMS	Date annual report tabled	2023/24 Annual Report tabled in council on or before 31 January 2025	2022/23 Annual Report tabled in council by 31 January 2024	31 Jan	2023/24 Annual Report tabled in council on or before 31 January 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Annual review of IDP completed before the end of May annually	Annual review of IDP for 2025/26 financial year completed and submitted to Council by 31 May 2025	KPI 109	Mng: IDP	Date annual review completed	Date reviewed IDP for 2025/26 financial year completed and submitted to Council	Annual review of IDP for 2024/25 financial year completed and submitted to Council by 31 May 2024	31 May	Annual review of IDP for 2025/26 financial year completed and submitted to Council by 31 May 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
% of Council Resolutions implemented within prescribed timeframe stipulated on resolution register		KPI 110	Mng: MMO	Number of council resolutions implemented within time frame divided by total Number of resolutions		85%	85%		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria.
IDP Process plan adopted by Council on or before 31 August annually.	2025/26 IDP Process plan adopted / approved by Council on or before 31 August 2024	KPI 111	Mng: IDP	Date Process plan approved by Council	Date of approval of 2025/26 IDP Process plan by Council	2024/25 IDP Process plan adopted by Council on or before 31 August 2023	31 Aug	2025/26 IDP Process plan adopted by Council on or before 31 August 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Reduce repeat AG audit findings by 50% annually.	Reduce repeat A-G audit findings in the 2023/24 audit report by 50% by 30 June 2025	KPI 112	Mng: MMO	Number of resolved repeat findings/by total number of repeat findings	% Reduction in repeat A-G audit findings in the 2023/24 audit report by 30 June 2025	New KPI	60%	Reduce repeat A-G audit findings in the 2023/24 audit report by 50% by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Implementation of the approved audit action plan.	100% Implementation of the approved audit action plan by 30 June 2025	KPI 113	Mng: MMO	Numbers of audit issues attend to by management as per the audit action plan.	% Implementation of the approved audit action plan by 30 June 2025	74% Implementation of the approved audit action plan as at 30 June 2024	100%	100% Implementation of the approved audit action plan by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Develop a risk based audit plan with an internal audit plan (RBAP) (MFMA - Section 165(2) (a)) and submit to the Audit Committee by 31 August Annually.	Develop a risk based internal audit plan (RBAP) (MFMA - Section 165(2) (a)) for 2024/25 financial year and submit to the Audit Committee by 31 August 2024.	KPI 114	Mng: IA	Date RBAP with internal audit programme submitted to the Audit Committee.	Date of submission to the Audit Committee of developed risk based internal audit plan (RBAP) (MFMA - Section 165(2)(a))	Risk based internal audit plan (RBAP) (MFMA - Section 165(2) (a)) for 2023/24 financial year and submit to the Audit Committee by October 2023	31 Aug	Develop a risk based internal audit plan (RBAP) (MFMA - Section 165(2) (a)) for 2024/25 financial year and submit to the Audit Committee by 31 August 2024.	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of audit committee meetings held per annum	4 Audit committee meetings held by 30 June 2025	KPI 115	Mng: IA	Sum of audit committee meetings held	Number of audit committee meetings held by 30 June 2025	4 Audit committee meetings held by 30 June 2024	4	4 Audit committee meetings held by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Internal Audit charter reviewed and completed annually (reviewed charters must be approved by the Audit Committee before the end of June annually)	2025/26 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2025	KPI 116	Mng: IA	Date IA Charter approved	Date of approval of 2025/26 reviewed Internal Audit charter by the Audit Committee	2024/25 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2024	30 June	2025/26 Internal Audit charter reviewed and approved by the Audit Committee by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Audit action plan developed to address AG Findings and submitted to council for approval on or before 31 Jan annually.		KPI 117	Mng: IA	Date Audit action plan submitted to council for approval			31 Jan		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria

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KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of internal audit reports produced	4 Internal audit reports produced by 30 June 2025	KPI 118	Mng: IA	Sum of IA reports produced	Number of internal audit reports produced by 30 June 2025	4 Internal audit reports produced as at 30 June 2024	16	4 Internal audit reports produced by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Approval of the SDBIP before the legislative deadline	2025/26 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2025	KPI 119	Mng: PMS	SDBIP approved by EM	Date of approval of 2025/26 Top-Layer SDBIP by the Executive Mayor	2024/25 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2024	1 X Approved SDBIP per annum	2025/26 Top-Layer SDBIP submitted and approved by the Executive Mayor by 28 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Submit quarterly reports to council on the actual performance in terms of the Top Layer SDBIP	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	KPI 120	Mng: PMS	Number of SDBIP Top Layer performance reports submitted to council	Number of quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP as at 30 June 2024	4	4 Quarterly reports submitted to council on the actual performance in terms of the Top Layer SDBIP by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Submit the previous financial year annual report at the end of Aug annually	Submit the 2023/24 Annual Report to the Auditor-General by 31 August 2024	KPI 121	Mng: PMS	Date Annual Report submitted to Auditor General	Date of submission of 2023/24 Annual Report to the Auditor-General	2022/23 Annual Report submitted to the Auditor-General by 31 August 2023	31 Aug	Submit the 2023/24 Annual Report to the Auditor-General by 31 August 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Annual Review of PMS by the end of 30 June annually	Review of PMS and submit it to Council for approval by 30 June 2025	KPI 122	Mng: PMS	Date PMS Framework approved by Council	Date of approval by Council of reviewed PMS	New KPI	30 June	Review of PMS and submit it to Council for approval by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Submit previous year oversight report to Council 60 after the tabling of the annual report	Submit the previous year's (2023/24) Annual Report to the Municipal Manager by the 25 th January 2025 for the purpose tabling to council in terms of MFMA section 127(2)	KPI 123	Mng: PMS	Date of submission on the oversight report to Council	Date of submission of 2023/24 Annual Report to the Municipal Manager for the purpose tabling to council in terms of MFMA section 127(2)	New KPI	31 March	Submit the previous year's (2023/24) Annual Report to the Municipal Manager by the 25 th January 2025 for the purpose tabling to council in terms of MFMA section 127(2)	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of signed performance agreements	6 Draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	KPI 124	Mng: PMS	Sum of performance agreement signed	Number of draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	6 Draft performance agreements for 2024/25 financial year for senior managers submitted to the Municipal Manager as at 20 June 2024	6	6 Draft performance agreements for 2025/26 financial year for senior managers submitted to the Municipal Manager by 20 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Risk register compiled and approved by the Municipal Manager	2024/25 Risk register compiled and approved by the Municipal Manager by 31 August 2024	KPI 125	CRO	Date Risk Register compiled	Date of approval by the Municipal manager of 2024/25 Risk register compiled	None	31 Aug	2024/25 Risk register compiled and approved by the Municipal Manager by 31 August 2024	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Submission of quarterly risk action plan to monitor the progress of identified risks.	4 Quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	KPI 126	CRO	Sum of action plans submitted.	Number of quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	New KPI	4	4 Quarterly risk reports submitted to the Municipal Manager to monitor the progress of identified risks by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of community report back meetings convened by Councillors for improved communication on service delivery including IDPs, SDBIP	4 Community report back meetings convened by Councillors for improved communication on service delivery including IDPs, SDBIP by 30 June 2025	KPI 127	Mng: OSpk	Number of community report back meetings held	Number of community report back meetings convened by Councillors for improved communication on service delivery including IDPs, SDBIP by 30 June 2025	4 Community report back meetings convened by Councillors for improved communication on service delivery including IDPs, SDBIP as at 30 June 2024	4	4 Community report back meetings convened by Councillors for improved communication on service delivery including IDPs, SDBIP by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Number of meetings per ward per quarter	4 Quarterly meetings per ward per ward by 30 June 2025 (i.e 4 x 19 = 76 meetings held)	KPI 128	Mng: OSpk	Number of meetings held from 1 Jul to 30 Jun	Number of meetings per held per ward by 30 June 2025 (i.e 4 x 19 = 76 meeting held)	3 Meetings per ward per quarter held as at 30 June 2024	22	4 Quarterly meetings held per ward by 30 June 2025 (i.e 4 x 19 = 76 meeting held)	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
Number of ward based development plans submitted		KPI 129	Mng: OSpk	Sum of ward plans submitted		0	22		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria.
Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.)	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	KPI 130	Mng: OSpk	Sum of events held	Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) as at 30 June 2025	4	4 Quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.) by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Draft Annual Report: 2024-25

KPA 5: Good Governance and Public Participation									
Comparison of Revised KPIs and Reasons for Revision									
For the Period 1 July 2024 – 30 June 2025									
Key Performance Indicator (KPI)		KPI ID/Ref. No.	KPI Owner	Unit of measure		Baseline	Annual Target		Reasons for Revision
First approved 2024/25 SDBIP	Revised 2024/25 SDBIP			First approved 2024/25 SDBIP	Revised 2024/25 SDBIP		First approved 2024/25 SDBIP	Revised 2024/25 SDBIP	
Gender Based Violence awareness campaigns are intensified through meetings held monthly in the three towns		KPI 131	Mng: OEM	Number of meetings held		0	12		This KPI was not included in the Revised SDBIP. KPI did not meet SMART Criteria"
To ensure that awareness campaigns on LGSTI+ issues are held throughout the Municipality on monthly basis	12 Awareness campaigns on LGSTI+ issues held throughout the municipality on monthly basis by 30 June 2025	KPI 132	Mng: OSpk	Sum of LGBTI+ awareness meetings held	Number of Awareness campaigns on LGBTI+ issues held throughout the municipality on monthly basis by 30 June 2025	Zero	12	12 Awareness campaigns on LGBTI+ issues held throughout the municipality on monthly basis by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.
To ensure that Youth Development campaigns are implemented with specific targeted monthly activities / programs	12 Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	KPI 133	Mng: OSpk	Number of campaigns conducted.	Number of Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	Zero	12	12 Youth Development campaigns held with specific targeted monthly activities / programs by 30 June 2025	The KPI description was revised to correct the wording and expressing the indicator in line with the SMART criteria.

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Chapter 4: Organisational Development Performance (Performance Report Part II)

4.1 Introduction to Organisational Development

This chapter addresses information pertaining to the implementation of an effective performance management system, organisational development and performance of a municipality. Such information is required to identify skills gaps and plans for the development of such skills.

The Organisational Development Performance is reported on, based on the strategic objectives and core/support functions of the organisation. Organisational Development within the organisation is linked to the IDP Objectives in conjunction with the Vision and Mission Statement of the municipality. Specific Organisational Development Performance that can be reported include Organisational Structure, Staff Establishment and Workforce Profile.

Organisational Structure

The organisation has six departments with a total staff compliment of 659 at the end of the reporting period. The total number of employees is inclusive of permanent, temporary and fixed term contract employees. The current structure was last approved by Council in April 2017.

The following are the key organizational development areas will be reported on in order to measure the outcome of effective organizational development against the municipality's strategic plans:

- Municipal Human Resource,
- Capacitating the municipal workforce,
- Managing the municipal workforce expenditure,
- Organizational structure enhancement,
- Increased accountability,
- Increased accountability,
- Increased participation in problem solving, goal setting and new ideas; and
- Identifying and development of skills needed to perform

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Component A: Introduction to Municipal Workforce

A1: Workforce profile

As part of the human resource management plan, the municipality's human resource strategy focuses on filling of critical vacancies, and capacitating building interventions for councillors and officials, performance recognition and develop human equity plan.

Ngwathe Local Municipality's workforce profile as at 30 June 2025, is reflected in the table below. In total the municipality recruited 83 new employees during the reporting period. The total number of terminations was 30 which amounts to 7.3% turnover rate.

The table hereunder summarizes the total workforce of the municipality per race group for the period under review.

Table 4.1: Workforce profile of the municipality

Employment category	Race										
	African		Coloured		Indian		White		Total		Total
	M	F	M	F	M	F	M	F	M	F	
Top Management	1	0	0	0	0	0	0	0	1	0	1
Senior Management	3	2	0	0	0	0	0	0	0	0	5
Mid- Management/Prof	20	7	1	0	0	0	0	0	0	0	28
Supervisors and Junior Management / Professional	89	62	0	0	0	0	0	0	0	0	151
Clerical / administrative	143	121	5	1	0	0	0	0	0	0	270
Elementary	148	85	3	1	0	0	0	0	0	0	237
Total Permanent	404	277	9	2	0	0	0	0	0	0	692
Temporary Employee	12	0	0	0	0	0	0	0	0	0	12
Grand Total	416	277	9	2	0	0	0	0	0	0	704

A2: Employment Equity Profile

Table 4.2: Employment Equity Profile

Category	2023/2024		2024/25	
	Total	% of total employees	Total	% of total employees
Black* employees	631	98%	692	98%
Women employees	258	40%	277	40%
Employees with Disabilities	1	0%	1	0%
Employees over age 51	217	0%	235	0%
Employees between 31 & 50	354	0%	349	0%
Employees under age 30	4	0%	6	0%

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*African, Coloured, Indian

A3: Staff Turnover

The staff turnover of the municipality over the period under review is presented in table below under the different categories:

Table 4.3: Staff turnover

Category	Numerical Data		
	Male	Female	Total
New appointments	41	15	56
Resignations	5	2	7
Pensioned	12	3	15
Dismissed	3	2	5
Net Movement	61	22	83

Component B: Capacitating The Municipal Workforce

Capacitating municipal workforce relates to continuous professional development and training of employees. Training is provided to staff in line with the Workplace Skills Development Plan (WSP) that was drafted and co-signed by labour representatives as required by legislation. Monthly and quarterly to the LGSETA were done as follows during the reporting period under review:

Type of Report	Reporting Period	Date of Submission of Report
Monthly Monitoring Report Workplace Plan/Annual Report	2025/26	27/04.2025

C2: Minimum competency levels

Municipal Regulation on Minimum Competency Levels, 2007 set out the minimum competency levels that must be met by The Accounting Officer; the Chief Financial Officer; Senior Managers of the Municipality; Other Financial Officials and Supply Chain Management Officials of the Municipality;

In line with the above stated legislative requirement, the table below provides an overview of progress made in meeting the set minimum competency levels:

Table 4.7: Minimum Competency Programmes undertaken by Senior Managers

Name	Title	Course	Start Date	Duration	Progress
Dr S Dintsi	Director LED	MFMP		12 Months	In Progress

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Table 4.8: Minimum Competency Programmes undertaken by other Financial Officials and Supply Chain Officials

Name	Title	Course	Start Date	Duration	Progress
MS NM Diamond	Finance Intern	MFMP	26 February 2024	06 Month	Completed
Mr D Thulo	Finance Intern	MFMP			Completed
Ms CEK Modikwe	Finance Intern	MFMP			Completed
Ms. LQ Motloung	Finance Intern	MFMP			Completed
Ms. K Lebona	Finance Intern	MFMP			Completed

Table 4.9: Minimum Competency Programmes undertaken by other Officials

Name	Title	Course	Start Date	Duration	Progress
Mr, M Pali	Manager	MFMP	30 September 2024	06 Months	Completed
Mr, Valoyi	Manager	MFMP	01 February 2025	06 Months	In Progress

C 3: Performance Management System (PMS)

The municipality has a functional Performance Management System in place. Performance recognition is designed and the reward system is implemented for the senior management level. All the reported performance information is subject to internal and external audits. Performance evaluation is conducted on the basis of reported performance and performance evidence disclosed and audited.

The following senior manager's performance, as reported under Chapter 3 of this report, was evaluated in line with the municipality's performance management system:

Table 4.10: Senior Managers Evaluated in terms of Performance Management Systems

Initials and Surname	Designation	Performance Evaluated Quarterly (Yes / No)	Performance Evaluated for the Year (Yes / No)
Dr. F.P Mothamaha	Municipal Manager	No	No
Mr. B Netshivodza	Acting Director Community Services	No	No
Mr. M Pali	Acting Director Technical Services	No	No
Mr T Motshoikha	Director Corporate Services	No	No
Mr. S.D Phetoane	Acting Chief Financial Officer	No	No

Human Resource Policies

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The table below provides an overview of human resources policies that the municipality has in place and whether these policies have been reviewed and adopted by council for implementation. Full text of these policies is obtainable from the **Director: Corporate Support Services, Mr Tlali Motshoikha**

Table 4.11: Human Resource Policies

Name of Policy	Policy In Place Yes / No	Reviewed For 2024/25 Yes / No	Date Adopted By Council	Comment
Appointment in an acting capacity	Yes	No	2019	Policy currently under review. Reviewed policy still be approved by council
Bursary policy	Yes	No	2015	Policy currently under review. Reviewed policy still be approved by council
Career pathing and succession planning policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Cellular phone policy	Yes	No	2015	Policy currently under review. Reviewed policy still be approved by council
Code of conduct policy	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Corporate Governance	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Disciplinary Procedure Policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Employee wellness policy	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Dress Code policy	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Extraneous employment policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Gifts to employees policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Grievance Procedure Policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Home Owner's subsidy policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Incapacity policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Medical Aid policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Membership of professional society	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council

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Name of Policy	Policy In Place Yes / No	Reviewed For 2024/25 Yes / No	Date Adopted By Council	Comment
Occupational health and safety	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Overtime policy	Yes	No	2019	Policy currently under review. Reviewed policy still be approved by council
Promotion and transfer policy	Yes	No	2015	Policy currently under review. Reviewed policy still be approved by council
Protected disclosure	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Recruitment policy	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Records Management policy	Yes	No	2021	Policy currently under review. Reviewed policy still be approved by council
Skills development policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Staff retention and exit management	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Subsistence and travel allowance policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Termination of Service Policy	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Travel Allowance Policy	Yes	No	2010	Policy currently under review. Reviewed policy still be approved by council
Use of council vehicles	Yes	No	2011	Policy currently under review. Reviewed policy still be approved by council
Leave Policy	Yes	No	2019	Policy currently under review. Reviewed policy still be approved by council

Component C: Managing Municipal Workforce Expenditure

D1: Leave Utilisation

The table below hereunder provides an overview of number of leave days utilized by type for the period under review:

Table 4.12: Number of leave days taken by leave type

Number of Leave Days taken by leave type		
Leave type	Total days	Number of employees
Sick	2580	518
Maternity	166	2

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Family Responsibility	247	75
Other/ Special leave	23	6
Annual Leave	7458	352
Study Leave	57	10

D 2: Skills Development & Training

Table 4.14: Skill Development & Training for Senior Managers & Councillors

Name	Course	Type of intervention
Cllr KJ ,Kumalo	BA Public Administration	Bursary
Cllr TP Soothoane	BA Public Administration	Bursary
Cllr D Masooane	BA Public Administration	Bursary
Cllr J Serathi	Master in business admin	Bursary
Cllr M Toyi	BA Public Administration	Bursary
Cllr SL Moseme	BA Project management	Bursary
Cllr MD Rapuleng	BA Public Administration	Bursary
Cllr N Moloi	BA Public Administration	Bursary
Dr. FP Mothamaha	Senior Executive Leadership program	Bursary
Dr S Dintsi	MBA	Bursary
Mr. S Phetoane	MBA	Bursary

Chapter 5: Financial Performance

5.1 INTRODUCTION

The financial management responsibilities of the municipality are vested with the finance service directorate. The department ensures accountability on municipal income, expenditure and procurement processes and provides reports to various stakeholders on the utilization of municipal funds.

5.2 SUPPLY CHAIN MANAGEMENT

For the period under review, the municipality's Supply Chain was largely implemented in line with the approved policy, Municipal Finance Management Act and the associated regulations. The municipality's supply chain management Policy complies with the provision of section 112 of Municipal Finance Management Act.

All the tenders that were approved during the period were in line with the recommendations of the Bid Committees of the municipality and reporting has been done consistently monthly, quarterly and yearly to different authorities and stakeholders.

There is clear separation of duties within the supply chain management unit itself including its committees. No councillor or political office bearer is a member of any of the Bid Committees of the municipality, and the structures of the Bid Committees for the period under review were as follows:

Table: Supply Chain Management Bid Committees

Name of Bid Committee	Committee Members
01 July 2024 – June 2025	
Bid Specification Committee	<ol style="list-style-type: none"> 1. Me. Dephney Mthimkhulu – Chairperson 2. Mr. Shashape Morabe – Member 3. Me. Lala Lepele – Member 4. Me. Pinky Mokoena – Member 5. Me. Lebohang Matshila – Scriber 6. Mr. Thato Shebe – Scriber (from Third Quarter) 7. Me. Matseleng Mpedi - Scriber
Bid Evaluation Committee	<ol style="list-style-type: none"> 1. Mr. Richard Malamule – Chairperson 2. Mr. Mokete Phele – Member 3. Mr. Ngaka Mantoro – Member 4. Mr. Siyanda Mbangxa – Member 5. Mr. Lehlohonolo Mosala – Member 6. Me. Tiisetso Semenya - Scriber 7. Mr. Thato Shebe – Scriber (From Third Quarter) 8. Mr. Caleb Valoyi – Chairperson (From Third Quarter) 9. Me. Musa Msibi – Member (From 3rd Quarter)

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Name of Bid Committee	Committee Members
01 July 2024 – June 2025	
	10. Me. Matseleng Mpedi - Scriber
Bid Adjudication Committee:	1. Mr. Musa Xulu – Chairperson 2. Me. Keneuwe Lepesa – Chairperson (1 st Quarter: From July to September) 3. Mr. Tladi Motshoikha – Member 4. Mr. Lehlohonolo Mosala – Member 5. Mr. Mxolisi Pali – Member 6. Dr. Sive Dintsi – Member 7. Me. Patricia Morokolo - Member 8. Mr. Brian Netshivhoza – Member 9. Me. Malekgodi Roberts – Scriber 10. Me. Matseleng Mpedi - Scriber

5.3 EXPENDITURE AND CREDITORS

The expenditure unit is responsible for all the payments of suppliers and creditors to which the municipality has the obligation.

Because of limitations for generating own revenue, our expenditures were largely financed through equitable share and to an extent Finance Management Grant. The total Expenditure for 24/25 financial year was R603 216 180 and was mostly paid by Equitable Share.

For the period under review, the expenditure was incurred beyond the limits of the approved budget per vote and those that were incurred not in line with policies and procedures are follows:

Details	Amount
Accommodation cost	1 047 258
Advertising	979 157
Auditors remuneration	10 401 925
Bank charges	683 351
Cleaning	456 549
Consumables	8 690 639
Donations	180 000
Entertainment	578 227
Hire	43 287 222
Insurance	4 796 751
Fuel and oil	3 919 582
Postage and courier	1 153 738
Printing and stationery	2 215 046
Protective clothing	2 577 813
Financial systems	3 471 709
Subscriptions and membership fees	4 370 374
Telephone and fax	5 965 878
Transport and freight	623 431
Training	2 286 371
Chemicals	18 848 638
Employee wellness	9 130

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Details	Amount
Youth development	1 356 661
Licenses	2 094 421
Other expenses	4 038 152
Employee related costs	332 328 874
Remuneration of councillors	18 346 979
Bulk purchases	46 475 552
Contracted services	60 981 085
Repairs and maintenance	21 051 667
TOTAL	603 216 180

The main components of irregular expenditure relates to differences in interpretation of section 17 and 18 of Municipal Supply Chain Management 2005, in which case the municipality and the Auditor-General's interpretation differs and consequently, the related transactions were then classified as irregular expenditure, going forward however, the Supply Chain Management Policy will be amended in order to provide a better expression and provide practical solutions in dealing with both section 17 and 18 of the regulations. The second biggest part relates to contracts in relation to lease of office equipment which must still be renewed.

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Component A: Statement of Financial Performance

Ngwathe Local Municipality

(Registration number FS203)
Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	18	422 375 643	394 008 693
Rental of facilities and equipment	19	450 223	423 836
Other income	21	2 751 404	2 108 232
Interest received from exchange transactions	23	81 889 009	74 374 990
Total revenue from exchange transactions		507 466 279	470 915 751
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	108 441 209	103 832 293
Transfer revenue			
Government grants and subsidies	27	393 126 302	348 477 287
Donations received	26	961 360	-
Fines, penalties and forfeits	28	377 604	148 032
Interest received from non-exchange transactions	24	25 366 612	24 805 120
Interest and penalties recovered	20	1 676 999	-
Debt waived	22	-	115 890 610
Total revenue from non-exchange transactions		529 950 086	593 153 342
Total revenue	17	1 037 416 365	1 064 069 093
Expenditure			
Employee related costs	29	(332 328 874)	(288 310 418)
Remuneration of councillors	30	(18 346 979)	(17 782 016)
Depreciation and amortisation	31	(46 475 552)	(53 219 515)
Finance costs	33	(118 874 909)	(107 408 955)
Debt Impairment	34	(216 122 607)	(243 218 408)
Bulk purchases	35	(400 241 270)	(336 781 951)
Contracted services	36	(60 981 085)	(51 944 598)
General Expenses	37	(123 636 489)	(113 185 240)
Repairs and maintenance	38	(21 051 667)	(16 021 522)
Total expenditure		(1 338 059 432)	(1 227 872 623)
Operating deficit		(300 643 067)	(163 803 530)
Loss on disposal of assets and liabilities	4	(28 703 469)	(218 201)
Fair value adjustments	39	(26 222)	97 520 930
Actuarial gains/(losses)	14	4 519 903	(6 189 829)
Impairment loss	32	(30 681 490)	(6 615 535)
Inventories (loss)/surplus		-	(6 384)
		(54 891 278)	84 490 981
Deficit for the year		(355 534 345)	(79 312 549)

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Component B: Cash Flow Management and Investment

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from customers		392 596 053	317 824 428
Grants		365 747 438	297 885 358
Interest income		13 718 859	10 824 643
Other receipts		4 172 125	1 266 872
		<u>776 234 475</u>	<u>627 801 301</u>
Payments			
Employee costs		(362 239 526)	(294 618 736)
Suppliers		(324 963 898)	(224 243 773)
Finance costs		(4 751 967)	(666 705)
Taxes paid		(5 720 374)	(5 563 438)
		<u>(697 675 765)</u>	<u>(525 092 652)</u>
Net cash flows from operating activities	40	<u>78 558 710</u>	<u>102 708 649</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	4	<u>(132 146 800)</u>	<u>(83 349 946)</u>
Cash flows from financing activities			
Employee benefit obligation payments		<u>(3 368 881)</u>	<u>(3 228 040)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(56 956 971)</u>	<u>16 130 663</u>
Cash and cash equivalents at the beginning of the year		62 102 449	45 971 786
Cash and cash equivalents at the end of the year	11	<u>5 145 478</u>	<u>62 102 449</u>

Component C: Other Financial Matters

Expression on the Auditor General Report

The detailed audit report of the Auditor-General for the 2024/25, which expresses the Auditor-general's findings and opinion is available in Chapter 6 of this report.

Plans to Enhance Financial Viability

Taking lead from to the audit findings as raised in the Auditor-General's report, our resolute goal the following:

- **Service charges** – reliability, accuracy, and completeness of monthly billing remained a challenge in the 2024/25 financial year. A data cleansing process has commenced to ensure that accounts with estimate billings are fully investigated to determine if they are dormant accounts or not. Consolidation of parent and child accounts is done on an ongoing basis to improve billing data integrity. Monthly exception reports are generated and investigated on an on-going basis. A targeted implementation plan has been developed to address specific findings raised by the AG on service charges. This will ensure that matters raised are corrected and that a portfolio of evidence file is kept for corrective measures taken in respect of findings

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raised. The Revenue Manager was appointed and resumed duty on 01 August 2025. Assistant Revenue Managers for billing and credit control were appointed in October 2025 and November 2025 respectively. Service charges findings were mainly due to lapses in the internal control environment and will be addressed with the appointment of management in the revenue section.

- Receivables from exchange transactions – findings on receivables from exchange transactions are a mirror reflection of findings in services charges as they eventually culminate into individual debtors' accounts. A targeted implementation plan has been developed to address specific findings raised by the AG in this regard and a portfolio of evidence file will be kept as proof of how findings on receivables from exchange transactions were resolved.
- Bulk purchases/Distribution losses – Due to the pervasive nature of audit findings raised under service charges and receivables from exchange transactions, the AG concluded that likelihood of material misstatement of distribution losses exists. Non-technical losses are addressed on an on-going basis by investigating instances of estimate billing and replacing or installing missing water and electricity meters. The programme to convert conventional electricity meters for indigent households into pre-paid meters is still on-going.
- Debt impairment – The audit qualification relates to a limitation of scope that existed during the 2023/24 financial year. The municipality did not receive a qualification on debt impairment for 2024/25 financial year.
- Irregular expenditure – Findings relates to instances of non-compliance with the SCM policy and MFMA provisions. A targeted implementation plan has been developed to address specific findings raised by the AG on supply chain management. This will ensure that matters raised are corrected and that a portfolio of evidence file is kept for corrective measures taken in respect of findings raised.
- Commitments – The recognition criteria used by management differed from the one applied by the AG and this resulted in different interpretation of accounting standards by management and the AG. Eventually, an agreement was reached between management and AG on how accounting standards should be applied with regards to commitments. The finding will be resolved with the preparation of the 2025/26 financial statements.

3: Financial Ratios based on Key Performance Indicators

3.1 Revenue Management

3.1.1 Level of Reliance on Government Grants

Formula	2024/25			2023/24
	Government Grants	Total Revenue	%	%
Grants & Subsidies/Total Revenue	R393 126 302.00	R 1 037 416 365	37.89%	32.75%

Analysis and Interpretation: From the above, it is evident that the municipality level of reliance on its own Revenue (62%), which is a quarter of the total revenue, reliance of 37% from Government Grants.

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3.1.2 Actual Revenue versus Budgeted Revenue

Purpose: The purpose of this ratio seeks to determine deviations between actual and budgeted revenue and to ascertain reasons for the deviations.

Actual Revenue vs Budgeted Revenue

Formula	Actual Revenue 2024/25	Budgeted Revenue 2024/25	Variance	Variance	
			R	2024/25 %	2023/24 %
Variance/Actual Revenue	1 037 416 356	1 188 757 174	-151 340 809	15%	19%

Analysis and Interpretation: the variance between budgeted and actual revenue is unfavourable, the municipality fell short on its targeted revenue goals. This variance reflects a deadline revenue performance when compared to the prior financial year. Under collection may be attributed to

Factors such as incorrect billing and possible non-performance of certain revenue streams.

3.2 Expenditure Management

3.2.1 Employee Related Costs to Total Expenditure

Purpose: The purpose of this ratio is to indicate Personnel Cost as a percentage of Total Expenditure.

Remuneration of Employees

Formula	2024/25			2023/24	
	Employee Cost	Total Operating Expenditure	%	%	
Actual Salaries, Wages and Allowances/Total Expenditure	332 328 874	1 338 059 432	25%	23%	

Analysis and Interpretation:

In 2024/25 the employee related cost to total expenditure is 25% and in 2023/24 is 23%

However, the ratio shows that 25 is the result of upper limit that occur each and month of July.

These also is the result of the newly employed employees in the municipality resulting into increase in Employee cost and the upper limit that need to be adhered to by municipality each and every July.

3.2.2 Remuneration of Councillors

Purpose: The purpose of this ratio is to indicate Remuneration of Councillors as a percentage of Total Expenditure.

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Remuneration of Councillors

	2024/25			2023/24
Formula	Remuneration of Councillors	Total Expenditure	%	%
Actual Remuneration of Councillors/ Total Expenditure	18 346 979	1 338 059 432	1%	1%

Analysis and Interpretation:

In 2024/25 the Councillors remuneration to total expenditure is 1% and in 2023/24 is 1%, there has been no increase for both financial years

3.2.3 Repairs and Maintenance to Total Expenditure

Purpose: The purpose of this ratio is to indicate Repairs and Maintenance as a percentage of Total Expenditure.

Repairs and Maintenance to Total Expenditure

	2024/25			2023/24
Formula	Repairs & Maintenance	Total Expenditure	%	%
Actual Repairs & Maintenance/ Total Expenditure	21 051 667	1 338 059 432	2%	1%

Analysis and Interpretation:

The norm for this ratio is that Repairs and Maintenance should equal at least 8% of Total Operating Expenditure.

(The ratio for 2024/25 is 2% and for 2023/24 is 1% which are below the threshold of 8% as required.

There is an increase of 1% in 2024/25

Ratio for both years being below the threshold shows that the internal control was followed and most of the service were done by municipal employees unlike outsourcing of service which will result to increase in the expenditure of repairs & Maintenance.

3.3 Liability Management

3.3.1 Acid Test Ratio

Purpose: To test the extent to which the municipality's current assets can cover the short term obligations.

Formula: Current Assets less Inventory/Current Liabilities. The norm for this ratio is 1.5:1, i.e. the Current Assets less Inventory must exceed the Current Liabilities by 50%.

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	2024/25			2023/24
Formula	Current Assets less Inventory	Current Liabilities	Ratio	Ratio
Current Assets less Inventory/Current Liabilities.	583 237 849	3 044 202 321	0.19:1	0.20:1

Analysis and Interpretation:

Current ratio of 2024/25 is 0.19:1 and of 2023/24 is 0.21:1

There has been no improvement on the ratio as the norm of municipality is 1.5:1 and the ratio for both years are below the norm.

These shows that the municipality cannot be able to settle their short term debt when due within 12 months' period.

These shows that the municipality relies on the equitable share to settle their debt and there is a need for revenue enhancement and the correct billing system.

The municipality need to meet the condition attached to the unspent grant of R5 250 000 so that obligation can be meet.

Municipality need to encourage most of their supplier to register for vat as these can increase VAT receivable.

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Chapter 6: Auditor General's Findings (2024-25)

In terms of section 20 of the Public Audit Act, 25 of 2004 (PAA), the Auditor-General must in respect of each audit performed in respect of the auditee, in this case Ngwathe Local Municipality, prepare a report on the audit.

An audit report must reflect such opinions and statements as may be required by any legislation applicable to the auditee who is the subject of the audit, but must reflect at least an opinion or conclusion on:

- a) whether the annual financial statements of the auditee fairly present, in all material respects, the financial position at a specific date and results of its operations and cash flow for the period which ended on that date in accordance with the applicable financial framework and legislation;
- b) the auditee's compliance with any applicable legislation relating to financial matters, financial management and other related matters; and
- c) the reported information relating to the performance of the auditee against predetermined objectives.

With the above background in mind, this chapter provides an overview of the Auditor-General Report of the previous financial year (2024/25).

Report of the auditor-general to the Free State Provincial Legislature and the council on Ngwathe Local Municipality

Report on the audit of the financial statements

Qualified opinion

1. I have audited the financial statements of the Ngwathe Local Municipality set out on pages 9 to 120, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects and possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the Ngwathe Local Municipality as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for qualified opinion

Service charges

3. I was unable to obtain sufficient appropriate audit evidence for the revenue from the sale of electricity and water included in service charges in notes 17 and 18 to the financial statements, as the municipality did not have reliable data on actual consumption to estimate consumer billings for electricity and water. I was unable to confirm the revenue from the sale of electricity and water by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the revenue from

Commented [JP2]: I have corrected the page numbers to "9 to 120"

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the sale of electricity and water included in service charges stated at R326 736 365 (2024: R296 377 865) in notes 17 and 18 to the financial statements.

4. In addition, the municipality did not account for the revenue from the sale of electricity and water included in service charges in notes 17 and 18 to the financial statements in accordance with GRAP 9, *Revenue from exchange transactions*. This was due to the municipality not billing some consumers during the current period, while, in other instances, some consumers were not billed throughout the year. I was unable to determine the full extent of the understatement to revenue from the sale of electricity and water included in service charges, stated at R326 736 365 in notes 17 and 18 to the financial statements, consumer debtors – electricity and consumer debtors – water included in receivables from exchange transactions stated at R106 512 441 in note 9 to the financial statements, as it was impracticable to do so.

Additionally, there was an impact on the deficit for the year and the accumulated deficit.

Receivables from exchange transactions

5. I was unable to obtain sufficient appropriate audit evidence for receivables from exchange transactions, as the municipality did not have adequate systems in place to account for the consumer debtors. I was unable to confirm the receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the receivables from exchange transactions stated at R219 011 262 (2024: R182 693 903) in note 9 to the financial statements.

Debt impairment

6. During 2024, I was unable to obtain sufficient appropriate audit evidence for debt impairment written off against the allowance included in the reconciliation of allowance for impairment in notes 9 and 34 to the financial statements. This was because of a lack of adequate supporting evidence to confirm the indigent registration and amnesty approvals. I was unable to confirm the debt impairment written off against the allowance by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the debt impairment written off against the allowance stated at R12 767 825 in notes 9 and 34 to the financial statements. My audit opinion on the financial statements for the period ended 30 June 2024 was modified accordingly. My opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the debt impairment for the current period.

Bulk purchases

7. I was unable to obtain sufficient appropriate audit evidence for the electricity and water losses included in bulk purchases in note 35 to the financial statements, as the municipality did not have reliable data to confirm the units sold for electricity and water. I was unable to confirm the electricity and water losses by alternative means. Consequently, I was unable to determine whether any adjustments were necessary for electricity losses included in bulk purchases, stated at 61% (2024: 59%) and water losses included in bulk purchases, stated at 27% (2024: 3%), in note 35 to the financial statements.

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Irregular expenditure

8. The municipality did not disclose all instances of irregular expenditure incurred in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. The municipality made payments in contravention of supply chain management (SCM) requirements, which were not disclosed. I was unable to determine the full extent of the understatement to irregular expenditure, stated at R400 673 627 (2024: R392 322 260) in note 51 to the financial statements, as it was impracticable to do so.

Commitments

9. I was unable to obtain sufficient appropriate audit evidence for commitments, as the municipality did not maintain accurate and complete records of the contractual information used to determine commitments. I was unable to confirm the commitments by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to commitments stated R82 806 695 (2024: R88 485 327) in note 42 to the financial statements.

Context for opinion

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

Material uncertainty related to going concern

13. I draw attention to note 48 to the financial statements, which indicates that a net loss of R355 534 345 was incurred during the year ended 30 June 2025 and, as of date, the total liabilities exceeded its total assets by R630 196 382. In addition, the municipality owed Eskom R2 582 140 326, Department of Water and Sanitation and Rand Water R188 890 244. On 20 June 2025, the court passed a judgement instructing the Free State Executive Council to intervene in this municipality's affairs, which includes dissolving the Municipal Council and appointing an administration in accordance with section 139(5) of the Constitution of the Republic of South Africa. As stated in note 48, these events or conditions, along with other matters as set forth in note 48, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern.

Emphasis of matters

14. I draw attention to the matters below. My opinion is not modified in respect of these matters.

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Restatement of corresponding figures

15. As disclosed in notes 44 and 46 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Unauthorised expenditure

16. As disclosed in note 49 to the financial statements, unauthorised expenditure of R107 619 677 (2024: R335 274 146) was incurred due to overspending of the budget.

Fruitless and wasteful expenditure

17. As disclosed in note 50 to the financial statements, fruitless and wasteful expenditure of R104 197 571 (2024: R94 823 417) were incurred, mainly due to interest and penalties levied due to late payments to suppliers.

Material impairments

18. As disclosed in note 8 to the financial statements, receivables from non-exchange transactions were impaired by R309 693 740 (2024: R280 899 445).

Material uncertainty relating to claims against the municipality

19. With reference to note 43 to the financial statements, the municipality is the defendant in various claims against the municipality. The municipality is opposing these claims. The ultimate outcome of these matters could not be determined and no provision for any liabilities that may result was made in the financial statements.

Other matters

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

22. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
23. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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Responsibilities of the auditor-general for the audit of the financial statements

24. My objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
25. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page xx, forms part of our auditor's report.

Report on the audit of the annual performance report

26. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area (KPA) presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
27. I selected the following KPA presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a KPA that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

KPA	Page numbers	Purpose
Basic service delivery and infrastructure development	24 to 36	To provide and maintain basic services (i.e. water, sanitation, electricity, roads, waste management) to the community of the municipality.

28. I evaluated the reported performance information for the selected KPA against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using the criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
29. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied

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consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance

30. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

31. The material findings on the reported performance information for the selected KPA are as follows:

Basic service delivery and infrastructure development

Various indicators

32. I could not determine the accuracy of various reported achievements, as the indicators were not well defined and adequate supporting evidence to clarify the methods and processes for measuring achievement was not provided. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
60% reduction in electricity distribution losses by 30 June 2025	60%	60,9%
25% reduction in water distribution losses by 30 June 2025	25%	27%

Other matters

33. I draw attention to the matters below.

Achievement of planned targets

34. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

35. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The measures

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taken to improve performance are included in the annual performance report on pages 24 to 36.

Basic service delivery and infrastructure development

<i>Targets achieved: 21,7%</i> <i>Budget spent: 71,9%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
60 additional households in municipal supply area connected to electricity grid by 30 June 2025 (KPI 01)	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	Not Achieved: Zero (0) additional households in municipal supply area connected to electricity grid by 30 June 2025. Annual target was not aligned to the budget
799 of new household electricity connections completed by 30 June 2025 (KPI 02)	799 of new household electricity connections completed by 30 June 2025	Partially Achieved: 740 of new household connections were completed by 30 June 2025
60% reduction in electricity distribution losses by 30 June 2025 (KPI 03)	60% reduction in electricity distribution losses by 30 June 2025.	Not Achieved Electricity distribution losses were recorded at 60.9% by 30 June 2025
40 000 m ² of potholes patched by 30 June 2025 (KPI 06)	40 000 m ² of potholes patched by 30 June 2025	Partially Achieved: A total of 20 781,87 m ² of potholes patched by 30 June 2025. Quarter 2- 18079 m ² Quarter 3- 626.87 m ² Quarter 4- 2076 m ²
3.2 kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025 (KPI 07)	3.2 kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	Not Achieved: 0 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025
1 (One) Credible Sanitation Master Plan developed by 30 June 2025 (KPI 08)	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	Not Achieved: 0 (Zero) The Credible Sanitation Master Plan developed by 30 June 2025. Sanitation Master plan is currently being development
60 additional households in municipal supply area with access to basic sanitation service by 30 June 2025 (KPI 09)	60 additional households in municipal supply area with access to basic by 30 June 2025	Not Achieved: Zero (0) additional households in municipal supply area with access to basic by 30 June 2025. Target was not aligned to budget

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<p><i>Targets achieved: 21,7%</i></p> <p><i>Budget spent: 71,9%</i></p>		
Key service delivery indicator not achieved	Planned target	Reported achievement
96% wastewater quality compliance rate according to the water use license by 30 June 2025 (KPI 10)	96% wastewater quality compliance rate according to the water use license by 30 June 2025	Not Achieved: 0% Wastewater quality compliance rate according to the water use license by 30 June 2025. The wastewater plant was not fully operational in the year ending 30 June 2025
25% reduction in water distribution losses by 30 June 2025 (KPI 12)	25% reduction in water distribution losses by 30 June 2025	Not Achieved: water distribution losses were recorded at 27%

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<i>Targets achieved: 21,7%</i> <i>Budget spent: 71,9%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025 (KPI 13)	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	Not Achieved: Zero (0) additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025. Annual target was not aligned to the budget
2 new household water connections completed by 30 June 2025 (KPI 14)	2 new household water connections completed by 30 June 2025	Not Achieved: Zero (0) new household water connections completed by 30 June 2025. Annual target was not aligned to the budget
60 sample tests conducted to measure water quality by 30 June 2025 (KPI 15)	60 sample tests conducted to measure water quality by 30 June 2025	Partially Achieved: 39 sample tests conducted to measure water quality by 30 June 2025
95% compliance rate of drinking water to SANS241 by 30 June 2025 (KPI 16)	95% compliance rate of drinking water to SANS241 by 30 June 2025	Not Achieved: 0% Compliance rate of drinking water to SANS241 by 30 June 2025. water treatment plant was not fully operational in the year ending 30 June 2025
15 km's of secondary new bulk water supply infrastructure/line constructed in Koppies and Kwakwatsi by 30 June 2025 (KPI 17)	15 km's of secondary new bulk water supply infrastructure/ line constructed in Koppies and Kwakwatsi by 30 June 2025	Partially Achieved: 10,47 km's of secondary new bulk infrastructure line constructed as at 30 June 2025
1 (one) cemetery management plan developed by 30 June 2025 (KPI 35)	1 (one) cemetery management plan developed by 30 June 2025	Not Achieved: 0 cemetery management plan developed by 30 June 2025. Municipality is awaiting SALGA's assistance with cemetery by laws
1 (one) hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025 (KPI 38)	1 (one) hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025	Not Achieved: Zero (0) hall and facilities (i.e. Mosepedi hall) upgraded by 30 June 2025 annual target was not aligned to the budget
Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025 (KPI 39)	Disaster Management Plan for the municipality reviewed and approved by Council by 30 June 2025	Not Achieved: Finalisation of Disaster Management Plan is underway pending working sessions for technical support

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<i>Targets achieved: 21,7%</i> <i>Budget spent: 71,9%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
300 premises inspected for fire safety and compliance by 30 June 2025 (KPI 40)	300 premises inspected for fire safety and compliance by 30 June 2025	Not Achieved: 75 premises inspected for fire safety and compliance by 30 June 2025. Appointment letter of Chief Fire Officer was not issued on time instability in the municipality

Material misstatements

36. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure development. Management did not correct all of the misstatements, and I reported material findings in this regard.

Report on compliance with legislation

37. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

38. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

39. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

40. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

41. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

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Procurement and contract management

42. Some of the goods and services within the prescribed transaction values for formal written price quotations were procured without obtaining the required price quotations, in contravention of SCM Regulations 17(1)(a) and (c).
43. Some of the quotations were accepted from bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c). Similar non-compliance was also reported in the prior year.
44. Some of the goods and services within the prescribed transaction value for competitive bids were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).
45. Some of the invitations for competitive bidding were not advertised for a required minimum period of days, in contravention of SCM Regulation 22(1) and 22(2). Similar non-compliance was also reported in the prior year.
46. Some of the contracts were awarded to bidders based on points given for legislative requirements that differed from those stipulated in the original invitation for bidding, in contravention of SCM Regulations 21(b) and 28(1)(a)(i) and the 2022 Preferential Procurement Regulations.
47. Some of the contracts were made to bidders other than those recommended by the bid evaluation committee without ratification by the accounting officer, as required by SCM Regulation 29(5)(b).
48. Some of the contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM Regulation 13(c). Similar non-compliance was also reported in the prior year.
49. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM Regulation 43.
50. The preference point system was not applied for some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act 5 of 2000.
51. Sufficient appropriate audit evidence could not be obtained that contracts were extended or modified with the approval of a properly delegated official as required by SCM Regulation 5.
52. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Similar limitation was also reported in the prior year.
53. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring

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measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA. Similar limitation was also reported in the prior year.

Expenditure management

54. Reasonable steps were not taken to ensure that money owed by the municipality was always paid within 30 days, as required by section 65(2)(e) of the MFMA
55. Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified, as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with SCM requirements.
56. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R105 043 969, as disclosed in note 50 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by interest and penalties levied due to late payments to suppliers.
57. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R143 163 931, as disclosed in note 49 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending the budget.

Consequence management

58. Irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Revenue management

59. An adequate management, accounting and information system which accounts for revenue and debtors was not in place, as required by section 64(2)(e) of the MFMA.
60. An effective system of internal control for debtors was not in place, as required by section 64(2)(f) of the MFMA.
61. Revenue due to the municipality was not calculated on a monthly basis, as required by section 64(2)(b) of the MFMA.

Human resource management

62. Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted, as required by section 67(1)(d) of the Municipal Systems Act 32 of 2000 (MSA) and regulation 31 of Municipal Staff Regulations.

Other information in the annual report

63. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected KPA presented in the annual performance report that have been specifically reported on in this auditor's

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report.

64. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
65. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected KPA presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
66. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

67. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and, the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
68. Management did not ensure that effective quality control processes were implemented related to the review of the financial statements before submission for audit. The municipality was also dependent on consultants for financial reporting without adequately transferring skills to the municipal officials. Several financial misstatements were identified, resulting in a modified audit opinion.
69. The audit committee did not provide oversight over the effectiveness of the internal control environment, including financial and performance reporting and compliance with laws and regulations.
70. The audit action plan developed by the accounting officer was not effective in addressing the weaknesses in the control environment that resulted in similar misstatements and non-compliance being reported in the current year.
71. The accounting officer failed to implement proper record-keeping in a timely manner to ensure that complete, relevant, and accurate information is accessible and available to support financial and performance reporting.
72. The accounting officer did not ensure that instances of irregular expenditure were referred to the Municipal Public Accounts Committee for investigation within reasonable timeframes.

Material irregularities

73. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Material irregularities in progress

74. I identified a material irregularity during the audit and notified the accounting officer, as required by material irregularity regulation 3(2). By the date of this auditor's report, I had not yet completed the process of evaluating the response from the accounting officer. This material irregularity will be included in next year's auditor's report.

Status of previously reported material irregularities

Eskom not paid within 30 days

75. The accounting officer did not take all reasonable steps to ensure that amounts due to Eskom for the bulk purchase of electricity were paid within 30 days of receiving the relevant invoice or statement, as required by section 65(2)(e) of the MFMA. The late payment resulted in interest of R21 592 212 being incurred for the period 1 April 2019 to 31 March 2020. The interest incurred is likely to result in a material financial loss for the municipality due to the liability to pay the interest to Eskom.

76. The accounting officer was notified of the material irregularity on 25 February 2021. The accounting officer did not take appropriate action to resolve the material irregularity. I recommended that the accounting officer should take the following action to address the material irregularity, which should have been implemented by 30 June 2024 with progress reports every 2 months:

- Update and commence with the implementation of the revenue enhancement turnaround strategies of the municipality to address the financial problems that are preventing the municipality from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The strategies to be implemented should include measures to:
 - (a) Increase revenue;
 - (b) Increase the collection of revenue;
 - (c) Efficiently manage the available resources of the municipality by accurate budgeting, budget management and cost cutting;
 - (d) Reduce electricity distribution losses; and
 - (e) Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

77. The accounting officer has not adequately implemented or made satisfactorily progress with

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implementation of the above recommendation. I notified the accounting officer on 28 February 2025 of the following remedial actions to address the material irregularity, which must have been implemented by 24 August 2025, with a progress report after three months:

- Appropriate actions must be taken to update and commence with the implementation of the revenue enhancement turnaround strategies of the municipality to address the financial problems that are preventing the municipality from paying Eskom within 30 days, as required by section 65(2)(e) of the MFMA. The strategies to be implemented must include measures to:
 - (a) Increase revenue;
 - (b) Increase the collection of revenue;
 - (c) Efficiently manage the available resources of the municipality through cost containment measures and proper budget management;
 - (d) Reduce electricity distribution losses; and
 - (e) Negotiate a reasonable payment arrangement with Eskom and properly budget for the amounts to be paid.

78. In support of the actions taken in implementing the remedial actions, the accounting officer submitted a response on 25 August 2025 and a supplementary response on 22 September 2025.

79. The municipality was accepted to participate in the Eskom Debt Relief Programme and therefore is this part of the remedial action resolved. The remaining actions in (a) to (d) above, have however not been adequately implemented and I am in the process of making a decision on further actions to be taken.

Department of water and sanitation not paid within 30 days

80. The accounting officer did not take all reasonable steps to ensure that amounts due to the Department of Water and Sanitation (DWS) for the bulk purchases of water were paid within 30 days of receiving the relevant invoice or statement, as required by section 65(2)(e) of the MFMA. The late payment resulted in interest of R7 203 625 being incurred for the period 1 July 2021 to 30 June 2022. The interest incurred is likely to result in a material financial loss for the municipality due to the liability to pay the interest to the DWS.

81. The accounting officer was notified of the material irregularity on 4 November 2022. The accounting officer did not take appropriate action to resolve the material irregularity. I recommended that the accounting officer should take the following action to address the material irregularity, which should have been implemented by 30 June 2024 with progress reports every 2 months:

- Update and commence with the implementation of the revenue enhancement turnaround strategies of the municipality to address the financial problems that are preventing the municipality from paying the DWS within 30 days, as required by section 65(2)(e) of the MFMA. The strategies to be implemented should include measures to:
 - (a) Increase revenue;

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- (b) Increase the collection of revenue;
- (c) Efficiently manage the available resources of the municipality by accurate budgeting, budget management and cost cutting;
- (d) Reduce water distribution losses; and
- (e) Negotiate a reasonable payment arrangement with the DWS and properly budget for the amounts to be paid.

82. The accounting officer has not adequately implemented or made satisfactorily progress with implementation of the above recommendation. I notified the accounting officer on 28 February 2025 of the following remedial actions to address the material irregularity, which must have been implemented by 24 August 2025, with a progress report after three months:

- Appropriate actions must be taken to update and commence with the implementation of the revenue enhancement turnaround strategies of the municipality to address the financial problems that are preventing the municipality from paying the DWS within 30 days, as required by section 65(2)(e) of the MFMA. The strategies to be implemented must include measures to:

- (a) Increase revenue;
- (b) Increase the collection of revenue;
- (c) Efficiently manage the available resources of the municipality through cost containment measures and proper budget management;
- (d) Reduce water distribution losses; and
- (e) Negotiate a reasonable payment arrangement with the DWS and properly budget for the amounts to be paid.

83. In support of the actions taken in implementing the remedial actions, the accounting officer submitted a response on 25 August 2025 and a supplementary response on 22 September 2025.

84. The municipality successfully negotiated a formal agreement under the Municipal Water Debt Relief Incentive Scheme and therefore is this part of the remedial action resolved. The remaining actions in (a) to (d) above, have however not been adequately implemented and I am in the process of making a decision on further actions to be taken.

Poor management of the Vredefort waste landfill site within the Ngwathe Local Municipality

85. The municipality has been operating the Vredefort waste landfill site in a manner that is not in compliance with its licence conditions and the minimum legislative requirements for waste disposal at a landfill site, which is evidenced by poor access control, improper or lack of compacting and cover to limit gas emission, periodic burning of waste, lack of stormwater management and leachate detection and no proper air, water and effluent sampling points to monitor air and water pollution.

86. The municipality consequently did not dispose and treat waste in an environmentally sound manner and

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in a manner that does not endanger health or the environment as required by section 16(1) of the National Environmental Management Waste Act 59 of 2008. The municipality further did not take reasonable measures to prevent pollution or degradations from occurring, continuing or recurring, as required by section 28(1) of the National Environmental Management Act 107 of 1998 and section 19(1) of the National Water Act 36 of 1998. The non-compliance is likely to cause substantial harm to the community members utilising the landfill site, communities adjacent to the landfill site as well as exposed to, and dependent on, the groundwater resources.

87. The accounting officer was notified of this material irregularity on 15 November 2022. The accounting officer did not take appropriate action to resolve the material irregularity. I referred the material irregularity to the Department of Forestry, Fisheries and the Environment (DFFE) on 27 March 2024 for investigation as provided for in section 5(1A) of the PAA. On 14 May 2024 the DFFE sub-referred the material irregularity to the Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) for further investigation. The referral was accepted by the DESTEA on 2 September 2024, and the investigation is currently in progress.

Lack of proper performance management system and records

88. The municipality did not maintain a proper performance management system and records as required by municipal planning and performance management regulation 7(1), as evident from significant deficiencies identified in the performance management system during the 2019-20, 2020-21, 2021-22 and 2022-23 audits. Technical indicator descriptions or standard operating procedures that would ensure that key performance indicators were well-defined and the measurement process, methods and calculations were predetermined for accurate and complete measurement and credible reporting of the municipality's performance were not developed and implemented, or the related supporting evidence of such processes or documentation could not be provided.

89. A lack of credible performance information on basic services and other primary functions of the municipality is likely to affect the ability of the municipality, council and other levels of government in executing their management, accountability, oversight and governance functions. This is due to incorrect and unreliable data that is used to plan, budget, monitor and report on performance and actual service delivery on management, council, district, provincial and national levels. Using unreliable performance information year-on-year has an adverse impact on the accumulated performance results and the decision-making by the various role players in these processes.

90. The accounting officer was notified of this material irregularity on 31 October 2023. The accounting officer did not take appropriate action to resolve the material irregularity. I recommend that the accounting officer should take the following actions to address the material irregularity, which should have been implemented by 20 June 2025 with a progress report every two months:

- a) The non-compliance with regulation 7(1) of the municipal planning and performance management regulations, 2001 should be investigated to determine the reasons and circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and enhance control weaknesses.

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b) Based on the reasons and circumstances, appropriate action should be taken to develop and commence with the implementation of an action plan to address the weaknesses in the performance management system and the poor record keeping so that full and proper records of the municipality's performance are kept in accordance with any prescribed norms and standards. The plan should include anticipated timeframes and address the following key areas as a minimum:

- Development and implementation of technical indicator descriptions for key performance indicators.
- Development and implementation of standard operating procedures that will describe the municipality's processes of performance measurement, review, and reporting will be conducted, organized, and managed, including the roles of different role players.
- Maintaining adequate and complete portfolio of evidence for reported performance.

91. The following actions have been taken by the accounting officer to address the material irregularity:

a) The accounting officer conducted an internal investigation into the non-compliance and based on the reasons and circumstances identified by the investigation, appropriate action was taken to develop and commence with the implementation of an action plan to address the weaknesses in the performance management system and the poor record keeping. The actions taken include the following:

- The duties and functions between integrated development planning and the performance management system have been segregated to give these functions a specific strategic focus as well as to address the separation between institutional planning and institutional performance management.
- A new position of performance management system manager was created, which was filled.
- The municipality appointed a service provider to assist with the issues identified in the investigations report, with an effective starting date of 28 February 2025.

b) The municipality developed and implemented technical indicator descriptions for key performance indicators. The municipality furthermore developed and implemented standard operating procedures that describe the municipality's processes of performance measurement, review, and reporting will be conducted, organized, and managed, including the roles of different role-players.

c) The municipality has commenced with the implementation of a manual process to address poor record-keeping.

92. Therefore, this material irregularity has been resolved.

Other reports

93. I draw attention to the following engagement conducted by various parties. These reports did not form

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part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

94. An investigation by the Directorate for Priority Crime Investigation (Hawks) was initiated on 04 April 2024 to investigate alleged fraud and corruption relating to the tender for the upgrade of the Edenville sports stadium, for a project that ran between 31 May 2018 and 31 May 2019. The investigation was still in progress at the date of this report, and the outcome was not yet available.

Auditor - General

Bloemfontein

27 November 2025



Auditing to build public confidence

Annexure to the auditor's report

1. The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor general's responsibility for the audit

Professional judgement and professional scepticism

2. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected KPA and on the municipality's compliance with selected requirements in key legislation.

Financial statements

3. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern

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- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

4. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit
5. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied

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Compliance with legislation – selected legislative requirements

6. The selected legislative requirements are as follows:

Selected legislation and regulations	Consolidated firm level requirements
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), Sections: 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), Sections: 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), Sections: 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), Sections: 53(1)(c)(iii), 53(1)(c)(iii)(bb), 54(1)(c), Sections: 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), Sections: 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), Sections: 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), Sections: 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, Sections: 122(1), 122(2), 126(1)(a), 126(1)(b), Sections: 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), Sections: 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), Sections: 165(1), 165(2)(a), 165(2)(b)(ii), Sections: 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), Sections: 166(2)(b), 166(2)(a)(iv), 166(5), 170, Sections: 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), Regulations: 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), Regulations: 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), Regulations: 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), Regulations: 28(1)(a)(i), 29(1)(a), 29(1)(b), Regulations: 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), Regulations: 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), Regulations: 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations: 44, 46(2)(e), 46(2)(f)

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Selected legislation and regulations	Consolidated firm level requirements
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), Sections: 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), Sections: 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), Sections: 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, Sections: 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, Regulations: 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), Regulations: 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), Regulations: 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations: 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), Regulation: 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations: 17(2), 36(1)(a)
MSA: Municipal Staff Regulations	Regulations: 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation: 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), Regulations: 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), Regulations: 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), Regulations: 10(2), 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), Regulation: 5(4)

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Appendices

Appendix A: Audit Committee Report

1. INTRODUCTION

The Audit and Performance Audit Committee is pleased to present its report for the financial year ended 30 June 2025, which covers the Audit Committee activities executed.

The Audit and Performance Audit Committee herein referred as Audit Committee has been established, in terms of Section 166 of the Municipal Finance Management Act (MFMA) No. 56 of 2003. The Audit Committee has adopted formal terms of reference (Audit Committee Charter) that has been approved by Council and has executed its duties during the period of reporting hereunder as indicated above, in accordance with its terms of reference.

2. AUDIT AND PERFORMANCE AUDIT COMMITTEE MEMBERS AND ATTENDANCE

All members of the Audit Committee are independent, with no interest in the management or conduct of the business of the Municipality.

The Audit Committee consisting of the members listed hereunder; and should meet at least four (4) times per annum, as per its approved terms of reference. Additional Special meetings may be called to deal with urgent matters when a need arises.

During the period of reporting hereunder, four (4) meetings were held including Senior Management and Auditor-General of South Africa to deal with urgent matters. Attendance and arrangements were as follows:

Name of member	Number of meetings attended
Mr. MA. Mmapheto - Chairperson	4 (Apologies = 0)
Mr. BLL. Mbange - Member	4 (Apologies = 0)
Advocate. Me. Suzette Gordon – Member	4 (Apologies = 0)
Professor. TA. Thekiso - Member	4 (Apologies = 0)

3. EFFICIENCY AND EFFECTIVENESS OF INTERNAL CONTROL

The Audit Committee has considered the work performed by Internal Audit Unit during the period of reporting hereunder and has reviewed the findings by the Auditor-General of South Africa (AGSA) on internal controls for the year ended 30 June 2024.

The Audit Committee noted weaknesses in internal controls around financial statements and compliance with legislation.

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed.

In line with section 62 (c) of the Municipal Finance Management Act (MFMA), Internal Audit provides the Audit & Performance Committee and management with reasonable assurance that the internal controls are adequate and effective.

- This is achieved through an approved risk-based internal audit plan;
- Internal Audit assessing the adequacy of controls mitigating the risks; and
- the Audit & Performance Committee monitoring the implementation of corrective actions and suggested enhancements to the controls and processes.

The Internal Audit Unit evaluated the effectiveness of the municipality's system of internal controls, reported system weaknesses and recommended corrective actions for management to address the deficiencies.

4. INTERNAL AUDIT

The Audit Committee is satisfied that the internal audit function is operating effectively as required by law, and with the objective to add value and improve organizational operations.

The Audit Committee has met with the Internal Audit Unit during the period of reporting hereunder, to evaluate its impartiality and effectiveness in pursuing the same objectivity.

The Internal Audit Unit has implemented the annual internal audit programme, and the following audit projects (activities) were conducted during the period of reporting hereunder:

- 2023-24 Annual Financial Statements Review (01 July - 31 Aug 2024);
- Ad-hoc:
 - Tariffs Increase (01 July - 31 Aug 2024);
 - (Payroll) Annual Salary Increase (01 Sep - 30 Sep 2024);
- Follow on Debtors - Account Receivables (01 Sep – Dec 2024);
- Expenditure (01 Jan 2025 - 31 Mar 2025);
- Creditors - Account Payables (01 April 2025 – 31 May 2025);
- Quarterly Performance Management reported (Quarterly review and/or follow-up);
- Monitored and reported progress made to development and implementation audit action plan (Quarterly review and/or follow-up); and

- Fixed Assets Management (01 June 2025 – 30 June 2025).

All internal audit activities were completed in-house in accordance with the interim internal audit plan, and there is nothing suggesting that independence and objectivity of Internal Audit Function was compromised. The Chief Audit Executive (CAE) also has direct access to the Chairperson of the Audit Committee and Members.

The Audit Committee recommends that internal audit findings be addressed (root causes) to improve the control environment and reduce recurring audit findings by the Auditor-General of South Africa. The Audit Committee appreciates management efforts to work with Internal Audit in addressing the audit issues to improve the control environment.

5. RISK MANAGEMENT

Risk Management is not being fully embedded into the activities of the municipality. The Audit Committee has noted the establish of the Risk Management Committee, including recent appointment of its Chairperson, and the appointment of the Acting Risk and Compliance Manager. The Risk Management should be embedded into day-to-day activities of the Municipality to guide allocation of resources and improve organisational performance.

6. PERFORMANCE MANAGEMENT

The Audit Committee noted the appointment of the Manager: Performance Management System, which contributed to the improvement of performance management and safe document for audit purposes.

While the Audit Committee appreciates the progress and efforts made by management in Performance Management as reflected by the AGSA, it is concerned about performance assessments for senior management that were not conducted for senior managers and for other officials it was not cascaded down which lead to non-compliance with municipal staffing regulations. The Audit Committee implores management to prioritize this matter as a matter of urgently through policy and implementation.

7. IN-YEAR MONITORING MONTHLY/QUARTERLY REPORTS

The Audit Committee received the reports from the management on in -year monitoring. Based on the reports the Committee is certain extent satisfied. However, the monthly and quarterly monitoring should be improved to reduce the misstatements on the annual financial statements.

8. ANNUAL FINANCIAL STATEMENTS

Audit Committee has reviewed the Annual Financial Statements and the Performance Report for 2024/25 financial period before submission to the Auditor-General of South Africa

9. COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee has considered the reports of the Internal Audit and External Auditors on compliance with laws and regulations and is of the view that the Municipality did not fully met all the requirements.

10. AUDITOR GENERAL OF SOUTH AFRICA (AGSA)

The Audit Committee met with the Office of the Auditor General of South Africa to discuss the audit related matters and there are **no** unresolved issues. The Municipality received **qualified audit opinion** from the AGSA and we have urged management to prepare the Audit Improvement Plan which will be closely monitored.

MR. MA MMAPHETO	
Chairperson of the Audit Committee	
Signature:	
Date: January 2026

Appendix B: Councillors; Committee Allocation and Council Attendance

#	Surname & Initials	Ward Responsible for
ANC Councillor(s)		
1	CLLR AJ DE JAGER	1
2	CLLR MJ SERATI	2
3	CLLR MD MOFOKENG	3
4	CLLR S NTEO	4
5	CLLR MD RAPULENG	5
6	CLLR T MOKOENA	6
7	CLLR T RAMABODU	7
8	CLLR KJ KHUMALO	8
9	CLLR IM MAGASHULE	9
10	CLLR MM RANTSILE	10
11	CLLR MTJ MOSEPEDI	11
12	CLLR MJ TYUMBU	13
13	CLLR TP SOTHOANE	14
14	CLLR ME SEFAKO	15
15	CLLR D MASOANE	16
16	CLLR MM MOTSOENEG	17
17	CLLR MS TOYI	18
18	CLLR SE NTHOESANE	19
DA Councillor(s)		
1	CLLR M. LA COCK	12
EFF Councillor(s)		
1	N/A	
FF + Councillor(s)		
1	N/A	
Aron + Councillor(s)		
1	N/A	

Appendix C: Record of Council Meetings Attended by Councillors

Number of meetings for the period 2024/25	Ordinary	Special	Total	Apologies
	4	10	14	
Ngwathe Local Municipality				
Initials & Surname	Meetings Attended			
CLLR V E De Beer	4	10	14	N/A
CLLR NP MOPEDI	2	9	11	3
CLLR AJ DE JAGER	3	9	12	1
CLLR MJ SERATI	4	10	14	N/A
CLLR MD MOFOKENG	3	10	13	1
CLLR S NTEO	3	7	10	4
CLLR MD RAPULENG	2	10	12	2
CLLR T MOKOENA	4	10	14	N/A
CLLR T RAMABODU	2	8	10	1
CLLR KJ KHUMALO	4	10	14	N/A
CLLR IM MAGASHULE	4	8	12	1
CLLR MM RANTSILE	2	10	11	2
CLLR MTJ MOSEPEDI	4	8	12	2
CLLR MJ TYUMBU	4	7	11	1
CLLR TP SOTHOANE	3	10	13	1
CLLR ME SEFAKO	4	10	14	
CLLR D MASOANE	1	7	8	6
CLLR LP SOTJHIVA/ CLLR MM MOTSOENENG	2	5	7	2
CLLR MS TOYI	4	10	14	N/A
CLLR SE NTHOESANE	3	9	12	2
CLLR N MOLOI	4	9	11	
CLLR SCHOONWIKEL /CLLR JP DE VILLIERS		7	7	3
CLLR NA SEHUME	3	9	12	2
CLLR M LA COCK	3	9	12	2
CLLR MBELE	3	9	12	1
CLLR RS FERENDALE	3	9	12	1
CLLR C SERFONTEIN	4	10	14	N/A
CLLR SHF DE JAGER /CLLR B OLIVIER	4	10	14	N/A
CLLR AA JANTJIE	4	9	13	1
CLLR SL MOSEME	4	9	13	1
CLLR MOTAUNG /CLLR TLADI		3	3	2
CLLR KJ MOKOENA		5	5	3
CLLR MP MOLOI	2	6	8	1

Number of meetings for the period 2024/25	Ordinary	Special	Total	Apologies
	4	10	14	
Ngwathe Local Municipality				
Initials & Surname	Meetings Attended			
CLLR M MATTHYSEN-ENGELBERCHT	3	9	12	2
CLLR PROF JAN A MEYER	1	5	6	7
CLLR VAN DER MERWE /CLLR SYNMAN	2	7	9	1
CLLR S KOK	3	9	12	1

Appendix D: Ward Reporting

Functionality of ward Committees						
Ward Number	Name of ward Councillor	Elected Ward Committee Members	Committee established (Yes/No)	Number of monthly Ward committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public meetings held during the year
1	CLLR AJ DE JAGER	10	YES	5	5	5
2	CLLR MJ SERATI	10	YES	8	8	8
3	CLLR MD MOFOKENG	10	YES	5	5	5
4	CLLR S NTEO	10	YES	10	10	10
5	CLLR MD RAPULENG	10	YES	12	12	12
6	CLLR T MOKOENA	10	YES	12	12	12
7	CLLR T RAMABODU	10	YES	10	10	10
8	CLLR KJ KHUMALO	10	YES	1	1	1
9	CLLR IM MAGASHULE	10	YES	8	8	8
10	CLLR MM RANTSILE	10	YES	12	12	12
11	CLLR MTJ MOSEPEDI	10	YES	7	7	7
12	CLLR M LA COCK	10	YES	1	1	1
13	CLLR MJ TYUMBU	10	YES	12	12	12
14	CLLR T SOTHOANE	10	YES	7	7	7
15	CLLR M SEFAKO	10	YES	2	2	2
16	CLLR MM MOTSOENEG	10	YES	7	7	7
17	CLLR D MASOOANE	10	YES	5	5	5
18	CLLR MS TOYI	10	YES	12	12	12
19	CLLR SE NTHOESANE	10	YES	11	11	11

Appendix E: Long term Contracts and Public Private Partnership

The schedule below is for contract that the municipality entered into that are for a period of up to three years and are of significant value.

Name of Service Provider	Name of Project	SLA signed		Project Starting Actual Date	Completion Date	Status
		Yes	No			
West Rand Consulting (PTY) LTD	Panel of consultants to assist in compilation of GRAP & MSCOA compliant fixed asset register and asset verification for the period of three years (36 months) on as and when required	Yes		11/06/2024	11/06/2027	Active
C-SONKE TRADING	Appointment for the strategic support service for Ngwathe Local Municipality	Yes		24/02/2025	24/02/2028	Active
MUNENE RISK SERVICE	Provision of short-term insurance portfolio for 36 months	Yes		09/05/2025	09/05/2025	Active
MANNA HOLDING	Appointment of service provider for the compilation of valuation roll	Yes		01/07/2024	30/06/2029	Active
	Panel of Chemicals	Yes		04/12/2024	04/12/2027	Active
	Panel of roads & storm Water	Yes		08/01/2025	08/01/2028	Active
	Panel of electrical Material	Yes		01/10/2024	01/10/2027	Active
	Panel of electrical Consultants	Yes		20/12/2024	20/12/2027	Active
	Panel of Legal Service	Yes		26/08/2024	26/08/2024	Active
	Panel of Plumbing Material	Yes		01/10/2024	01/10/2027	Active
	Panel of Protective clothing	Yes		23/08/2024	23/08/2025	Active
	Panel of water & sanitation	Yes		04/12/2024	04/12/2027	Active
Panel of Yellow Fleet	Yes		01/10/2024	01/10/2027	Active	

Appendix F: Municipal Entity/Service Provider Performance

No.	Contract Name	Effective Date	Duration	Parties - Ngwathe &	Performance Status
2024-25					
1.	Preparation of Assets & Verification Register	11/06/2024	3 years	Ngwathe meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
2.	Strategic Support	24/02/2025	3 years	Ngwathe meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
3.	Insurance Service	09/05/2025	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
4.	Valuation- Roll	01/07/2024	5 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
5.	Panel of Chemicals	04/12/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
6.	Panel of roads & storm Water	08/01/2025	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
7.	Panel of electrical Material	01/10/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
8.	Panel of electrical Consultants	20/12/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
9.	Panel of Legal Service	26/08/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.

No.	Contract Name	Effective Date	Duration	Parties - Ngwathe &	Performance Status
2024-25					
10.	Panel of Plumbing Material	01/10/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
11.	Panel of Protective clothing	23/08/2024	1 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
12.	Panel of water & sanitation	04/12/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.
13.	Panel of Yellow Fleet	01/10/2024	3 years	Ngwathe Local Municipality meets all contractual obligations.	The Service Provider performed in accordance to all contractual obligations. Service provided satisfactorily and efficiently.

Volume II: Annual Financial Statements

(Separate Document)