



**MAKANA**  
MUNICIPALITY | EASTERN CAPE  
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# **MAKANA LOCAL MUNICIPALITY**

## **Final Annual Performance Report**

### **2024/25**

#### TABLE OF CONTENTS

1. INTRODUCTION.....	2
2. LEGISLATIVE REQUIREMENTS .....	2
3. PERFORMANCE MANAGEMENT OVERVIEW PROCESS.....	3
4. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.....	3
5. ACTUAL RESULTS FOR THE 2024-25 FINANCIAL YEAR.....	4
6. DETAIL PERFORMANCE SCORECARD .....	7
7. Conclusion .....	32

## **1. INTRODUCTION**

The Annual Performance Report is hereby submitted to the Audit and Performance Committee for review. This report covers the performance information from **01 July 2023 to 30 June 2024** and focuses on the implementation of the Service Delivery and Budget Implementation Plan

(SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review.

This report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2023/2024.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area. Each Municipal Key Performance Area (KPA) has a number of Municipal Key Performance Indicator (KPI's) which had been deliberately designed by the Makana Municipality to focus its development initiatives in a more coherent and organised manner.

This report will also endeavour to report to Council the Municipality's performance in terms of the five (5) National Government's Strategic Key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management and (5) Good Governance and Public Participation.

## **2. LEGISLATIVE REQUIREMENTS**

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

A municipality must prepare for each financial year a performance report reflecting—

- (a) the performance of the municipalities and service provider performance during that financial year.
- (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and (c) measures taken to improve performance.

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and

improvement will be conducted, organised and managed, including determining the roles of the different role players.” Performance management is not only relevant to the organisation, but also to the individuals employed in the organisation as well as the external service providers and the Municipal Entities.

### 3. PERFORMANCE MANAGEMENT OVERVIEW AND PROCESS

Performance Policy Management Framework	All MSA s57/56 Performance agreement	Implementation level	Audit and Performance Committee	Municipal Public Account Committee (MPAC)	Quarterly Performance Report to Council	Annual Report to Council
In Place	In Place	Senior Management	In Place	In Place	In Place	In Place

### 4. THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION (SDBIP)

Service Delivery Budget Implementation Plan is developed in terms of Municipal Finance Management Act 2003, Circular 13 legislative requirements. The MFMA Act and Circular requires that Municipalities Mayor must develop approve and signed SDBIP with 28 Days after the Budget for new financial has been approved by Council. IDP and Budget for 2024/25 financial year were approved by Council on the 30<sup>th</sup> of May 2024 subsequently to that SDBIP was approved on 28<sup>th</sup> June 2024 and adjusted on the 28<sup>th</sup> of February 2025. The MFMA also requires that the SDBIP must be reported to Council Quarterly within 30 days after the end of the quarter.

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

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the Municipality is implemented. It also allocates responsibility to Departments to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

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

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

The Municipal Scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council/Senior Management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

One-year detailed plan, but should include a three-year capital plan, the necessary components include:

- Monthly projections of revenue to be collected for each source; this component is reported through section 71 monthly by the Budget and Treasury Office.
- Expected revenue to be collected NOT billed; this component is reported through section 71 monthly by the Budget and Treasury Office.
- Monthly projections of expenditure (operating and capital) and revenue for each vote; this component is reported through section 71 monthly by the Budget and Treasury Office.
- Quarterly projections of service delivery targets and performance indicators for nonfinancial measurable performance objectives; this component is reported to Council quarterly

## 5. ACTUAL RESULT FOR THE 2024/25 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality’s actual performance against the planned targets as derived from the Municipality’s IDP. Since the Municipality has 6 Development priorities with the inclusive of Human Settlement under basi service delivery and infrastructure development. An overview of the overall Municipality’s actual performance linked to the National KPA’s not yet available as they link with finalisation Annual Financial Statement

COLOR CODE	STATUS	DESCRIPTION	%
N/A	KPI Information not Available yet	KPIs with no targets linked to finalisation Annual Financial Statement	0
G	KPI Fully Effective	Actual meets Target (Actual/Target = 100%)	51.47%
G2	KPI Performance Significantly Above Expectations	100.001% <= Actual/Target <= 149.999%	1.4%
B	KPI Outstanding Performance	150.000% <= Actual/Target	4.4%

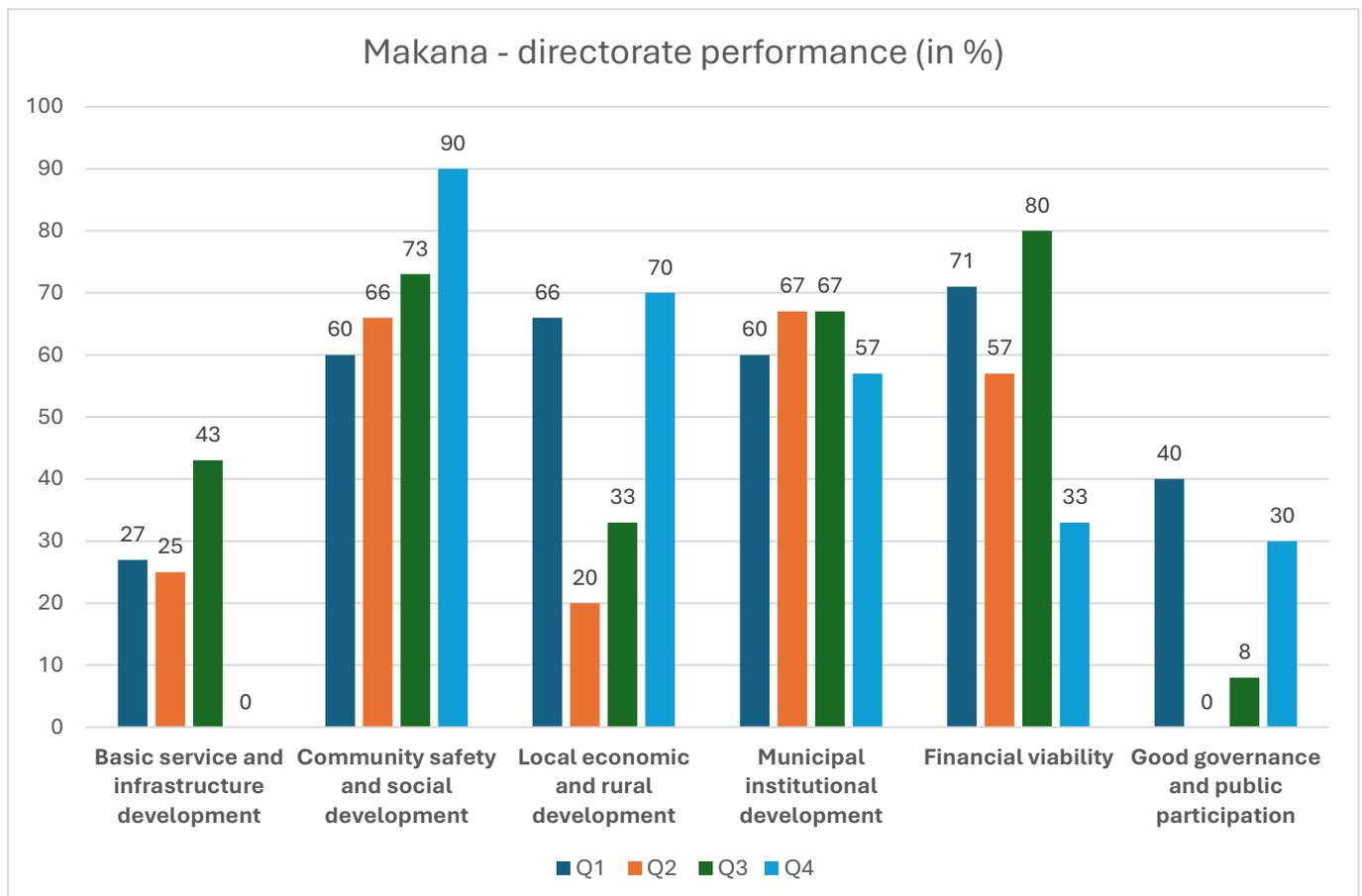
<b>R</b>	KPI Unacceptable Performance	0% <= Actual/Target <= 74.999%	49%
<b>O</b>	Performance Not Fully Effective-(Partially)	75.000% <= Actual/Target <= 99.999%	16%

## 5.1 OVERALL RESULT OF KEY PERFORMANCE AREAS

<b>KPA</b>	<b>NO KPI</b>	<b>ACHIEVED</b>	<b>PARTIALLY</b>	<b>OVER</b>	<b>2024-25</b>	<b>2023-24</b>
Basic Service and Infrastructure and Infrastructure	9	3	3	0	33%	0 %
Community and Social Cohesion	11	7	2	2	64%	70%
Local Economic development and Planning	10	7	0	0	70%	70%
Institutional Capacity and Organisational Development	9	7	0	0	77%	60%
Financial Viability and Management	14	6	5	0	42%	80%
Good Governance & Public Participation	15	5	1	1	33%	33%
<b>TOTAL</b>	<b>68</b>	<b>35</b>	<b>11</b>	<b>3</b>	<b>51.47%</b>	<b>55%</b>

**5.2 KEY PERFORMANCE AREA AVERAGE QUARTERLY PERFORMANCE JULY 2024 TO JUNE 2025**

No	KPA	Q1	Q2	Q3	Q4	%
0.1	Basic service and infrastructure development	28.57	25	43	0	23,75
0,2	Community safety and social development	60	66	73	90	72,25
0,3	Local economic and rural development	66	20	33	70	47,25
0,4	Municipal institutional development	60	67	67	57	62,75
0.5	Financial viability	71	57	80	33	60,25
0.6	Good governance and public participation	40	33.33	8	30	26



**6: DETAIL PERFORMANCE REPORT SCORECARD**

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
<b>KPA ONE(1): BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (BSI)</b>										
Upgrading, refurbishment and secure of Bulk Infrastructure development	<b>BSI 1.1</b>	Replacement of ageing asbestos pipes in Phase 3 A) in Ward 4 and 8 by 30 June 2025	82%	R7 204 567	R5 328 569	100%	95%	Partially Achieved	The contractor experienced delays due to failing pressure testing.	Requests for extension of time has been submitted.
	<b>BSI 1.2</b>	Refurbishment Waainek WT W refurbishment (Cathodic) in Ward 12 by June 2025	90%	R 8 00 000	N/A	100%	0%	No Achieved	Scope of work was reduced due to non-availability of funding to complete the project.	The Project will close at current status which is 90% and outstanding scope will be reprioritised

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Provision of water, sanitation and electricity service to all Makana Municipality communities	<b>BSI 1.3</b>	Installation of 1440 new household smart water meters in ward 3,4 and 8 by 30 June 2025	0	R9 321 321	R8 481 788	1400	1540	Achieved	N/A	N/A
	<b>BSI 1.4</b>	Refurbishment of Belmont Valley Wastewater Treatment Works in ward 8 by 30 June 2025	70%	R10 478 779	R7 981 116	100%	98%	Partially Achieved	The contractor experienced delays due to difficulties in cleaning the digester.	Request for extension of time has been submitted.
To provide safe & sustainable roads network	<b>BSI 1.5</b>	Replacement tar with Paving of 2 Km of surfaced municipal road in ward 6 and 9 by 30 June 2025	0	R16 948 289	R16 948 289	100%	100%	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Provision of a safe, healthy, and secure living environment	BSI 1.6	Upgrading of Oval Stadium, Lavendar Valley refurbishment in ward 3 by 30 June 2025	62%	R 2 806 000 00	R1 507 568	100%	79%	Partially Achieved	Delays in completion of the boundary wall and electrical works due to poor performance of contractor	Request for extension of time has been submitted.
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.8	Appointment of two(2) contractors to rehabilitate 3 street(roads) and installation of new (4) High mast	Damages the rich life span	4 000 000	R7 251 838	Appointment of Contractors	Rehabilitation of streets - Bid Evaluation Completed . For High Mast, tender was advertised.	Not Achieved	Rehabilitation of streets - Delays in finalising the award. For High Mast - Nonresponsive bids.	Rehabilitation of streets - BAC will finalise appointment July.
	BSI 1.9	Appointment of one(1) contractor for Disaster projects to rehabilitate 3 streets	Damage due influx	R30 946 481	R2 616 368	Appointment of contractor	Tender was advertised	Not Achieved	Bids were nonresponsive	Tender will be cancelled and re-advertised

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
	BSI 1.10	Number of households to be connected to done by 30 June 2025	No electrification	R 230 0000 Opex	R229 770	63 House to be connected	69 has been installed	Achieved	N/A	N/A
<b>KPA TWO( 2): COMMUNITY AND SOCIAL COHESION(CSC)</b>										
Clean and Beautified the City	<b>CSC 2.1</b>	Report on the number of illegal Dumping eradicated and revamp by 30 June 2023	0	Opex	Opex	8	15	Overachieved	5	N/A
Provision of a safe, healthy, and secure living environment	<b>CSC 2.3</b>	Number of Community Road safety awareness programmes conducted	3	Opex	Opex	12	12	Achieved	N/A	N/A
	<b>CSC 2.5</b>	Number Community Stakeholder engagement conducted	2	Opex	Opex	8	7	Partially	No Stakeholder engagement was conducted on Quarter one	Stakeholders invited to confirm attendance

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Clean and Beautified the City	<b>CSC 2.8</b>	Percentage of households with basic refuse removal services or better	90%	Opex	Opex	90%	ext - 80%	Not Achieved	The department cannot recover from non-collection within 48hrs due to breakdowns	The department will ensure that all vehicles are maintained regularly and on time.
Clean and Beautified the City	<b>CSC 2.9</b>	Percentage of refuse collection done inline with approved schedule	0	Opex	Opex	100%	ext - 80%	Not Achieved	Refuse collection is not always collected as per schedule due to bread downs	The department will ensure that all vehicles are maintained regularly and on time.
Enhance Safety and Security initiative	<b>CSC 2.11</b>	Fire and Disaster Management community awareness	0	Opex	Opex	4	9	Over Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Provision of a safe, healthy, and secure living environment	<b>CSC 2.15</b>	One (1) Environmental Management plan	0	Opex	Opex	Approved Environmental Management Plan	The Environmental Management Draft Plan has been developed	Partially	The department is still engaging with another stakeholder to develop a credible plan	The department will submit the draft plan to municipal committees for approval and community engagement
Provision of a safe, healthy, and secure living environment	<b>CSC 2.16</b>	One(1) Integrated Waste Management Plan (IWMP) Review and Approved by the 30th June 2025	last Review 2018	Opex	Opex	Approved Integrated Waste Management Plan by Council	The IWMP was tabled on Council sat on 30 April, the plan was approved.	Achieved	N/A	N/A
Provision of a safe, healthy, and secure	<b>CSC 2.18</b>	Management, operation, and maintenance of landfill sites by June 2025	12	R 7.9 million	R 7.9 million	12	12	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
	<b>CSC 2.19</b>	Procuring of one Bulldozer by 30 June 2025	New indicator	R 6 7 million 23	R6 492 404	Purchase of new Bulldozer	The Bulldozer was procured in February 2025	Achieved	N/A	N/A
Provision of a safe, healthy, and secure living environment	<b>CSC 2.20</b>	Construction of 458m Landfill Site Block wall by 30 June 2025	New indicator	R500 000	R 7 28 778.00	Construction 458m Boundary Landfill sites	Site Establishment, The site has been established, and the project is at 60%	Achieved	N/A	N/A
<b>KPA THREE (3): LOCAL ECONOMIC DEVELOPMENT AND PLANNING</b>										
Improved stakeholder collaboration to	LED 3.1	Number of work opportunities created through EPWP	172	Operational: Municipal Running Cost	Operational: Municipal Running Cost	172	213(94 EPWP, 119 WISIG and MIG Projects)	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
	LED 3.2	Number of work opportunities created through CWP	898,00	Operational: Municipal Running Cost	Operational: Municipal Running Cost	1000	800	Not Achieved	Reduction in budget	N/A
	LED 3.3	Number of work opportunities created through capital Infrastructure development investment by the 30 June 2025	194,00	Operational: Municipal Running Cost	Operational: Municipal Running Cost	214	119	Not Achieved	Some project did create job opportunities as planned	Register more projects
Provide SMMEs with access to markets	LED 3.4	Number of SMME participating in the National Arts Festival	2	Operational: Municipal Running Cost	Operational: Municipal Running Cost	8	8 stalls procured for SMMEs to trade in the NAF	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Promoting and enabling environment	LED 3.9	Percentage turnaround time for processing of land use applications within 16 months in accordance with SPLUMA	0	Operational: Municipal Running Cost	Operational: Municipal Running Cost	100% (Within 16 months)	Processed land use applications within 16 months in accordance with SPLUMA	Achieved	N/A	N/A
To plan, promote investment and facilitate economic	LED 3.10	Approved land invasion Policy by 30 June 2025	No policy	Operational: Municipal Running Cost	Operational: Municipal Running Cost	Approved land invasion Policy	Draft Land Invasion Policy tabled to Council of 30 April 2025	Achieved	N/A	N/A
Improved stakeholder collaboration to unlock opportunities for	LED 3.11	Approved revised LED Strategy by 30 June 2025	2.19- 2020 Approve LED Strategy	Operational: Municipal Running Cost	Operational: Municipal Running Cost	Approved LED Strategy	LED Strategy Rollout Plan tabled to Council of 30 June 2025 and approved	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Promote stakeholder networks for unlocking opportunities for	LED 3.10	Review of LED Forum by Council 30 June 2025	0	Operational: Municipal Running Cost	Operational: Municipal Running Cost	Approved LED Forum	LED Forum and TOR tabled to Council of 30 April 2025 for consideration	Achieved	N/A	N/A
To plan, promote investment and economic facilitate	LED 3.11	Review of Spatial development Framework by June 2026	2019/10/30	Operational: Municipal Running Cost	Operational: Municipal Running Cost	Approved SDF review rollout plan approved by Council	SDF Rollout Plan tabled to Council on 30 April 2025 and approved	Achieved	N/A	N/A

Ensure equitable access to housing development	<b>BSI 1.7</b>	Construction of 178 RDP Houses in Makhanda East	0	38 ML	R10 003 163.54	60 RDP Houses constructed	47 RDP Houses have been constructed (foundations, wallplates, roofs, plastering).	Not Achieved	J-Street, Lower Mnandi, Upper Mnandi units to be constructed were reduced due to 30 encroachments, and 36 beneficiaries are still outstanding which reduced RDP houses that could be constructed as well as delayed payment of claims.	1) For the encroachment, the project team and contractors will need to intensify the public facilitation and encourage those with temporary structures to demolish parts that are encroaching into other sites (this process will take 3 months). 2) The project will be reported in line with the completed milestones for the Project Implementation. The
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Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
										estimated completion of 60 RDP constructed to done by December 2026.
<b>KPA FOUR(4) INSTITUTIONAL CAPACITY AND ORGANISATIONAL DEVELOPMENT (ICOD)</b>										
Effective Management of Organisational Design and policy development	<b>ICOD 4.1</b>	Number of reviewed organisational structures approved by council".	1	Opex	Opex	1 (Review of Organisational Structure)	The organisational Structure was table to Council 27 May 2025 for approval	Achieved	N/A	N/A
	<b>ICOD 4.2</b>	Report - Number of positions adjusted in line with JE outcome. (Job Evaluation)	0	Opex	Opex	4	Phase 2 Job evaluation implementation has been completed	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
Ensure efficient and effective organisational support by a competent and skilled workforce	ICOD 4.3	Percentage reduction of vacancy rate	13,0%	Opex	Opex	10% (Anticipation)	13%	Not Achieved	Recruitment focuses on the filling the critical and service delivery positions due to financial constraints	N/A
	ICOD 4.9	Review of Human Resources Plan by 30th June	0	Opex	Opex	1 (Revised Human Resources Plan)	HR plan was table to Council on the 25 June 2025	Achieved	N/A	N/A
Ensure efficient and effective organisational support by a competent and	ICOD 4.10	Number of employees wellness programmes facilitated	1	Opex	Opex	4	4	Achieved	N/A	N/A
	ICOD 4.11	Reduction of overtime expenditure on month to month	R 1000 000 Monthly	Opex	Opex	Reduce by 70%	70%	Achieved	N/A	N/A

Predetermined Objective (IDP) 2022-2027	Ref	Performance Indicator	Baseline	Budget	Overall Performance for July 2024 to June 2025				Reasons for deviation	Corrective Measures
					Actual Expenditure	Target	Actual Performance	Status		
	<b>FRP 3.3</b>	Conduct costs analysis on employee costs	0	Opex	Opex	Completeness of employee costs per department conducted	Cost analysis was done at institutional level	<b>Not Achieved</b>	No cost analysis was conducted only expenditure that is produced through section 71 report done	Cost analysis will be re-prioritised in the next financial year
Effective Management of Organisational	<b>ICOD 4.16</b>	Percentage number of Human Resources policies review in line with Policy register	8	Opex	Opex	100%	Revised HR Policies were table to Council on the 25 June 2025	Achieved	N/A	N/A
To create an efficient, effective and	<b>ICOD 4.19</b>	Percentage of Municipal Vehicle that are functional	0	Opex	Opex	70%	87%	Achieved	N/A	N/A

KPA FIVE (5): FINANCIAL VIABILITY AND MANAGEMENT (FVM)										
Ensure sound financial sustainability and adhere to statutory prescriptions	<b>FVM 5.1</b>	Total Annual Operating Budget revenue raised/collected by 30 June	58%	R 843 million	R858 million	80% of annual billed and monthly billed income by June 2025	Billed Revenue 101% Collection Rate 69%	<b>Not Achieved</b>	Inability by consumers to service their accounts and water estimates that are very high, thus distorting billed revenue	Adjustments are made monthly on consumer accounts that are incorrectly billed for water, to improve billed revenue. March 2026
	<b>FVM 5.2</b>	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MFMA, Reg. S10(c))	35%	R 71, Million	N/A	95% of approved Capital Budget actually spent	Total Capex 91% spent Grant Funded Capex 98%	<b>Partially Achieved</b>	The municipality spent 98% on grant funded expenditure and 91% on the total capital expenditure	The municipality achieved the target in relation to grant funded expenditure and could not meet 95% on the total capital expenditure due to capital expenditure funded from internally

										generated funds
Ensure sound financial sustainability and adhere to statutory prescriptions	<b>FVM 5.7</b>	Ratio in respect of Debtor Payment Days)	110 days	Opex	Opex	40 days	11 days	Achieved	N/A	N/A
	<b>FVM 5.8</b>	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MFMA, Reg. S10(g)(iii))	1 Month	Opex	Opex	2 Months	0 Months	Not Achieved	The ratio is directly affected by the poor collection rate and the indebtedness of the municipality to bulk suppliers	The ration will improve when the municipality gets a write-off from Eskom and DWS. When the collection rate improves it will have an impact on the ratio.

Ensure sound financial sustainability and adhere to statutory prescriptions	<b>FVM 5.11</b>	Percentage of the municipality's operating budget spent on indigent relief for free basic services	6%	Opex	Opex	3,5%	2%	<b>Not Achieved</b>	This is due to the decrease in number of registered and qualifying indigent customers. There was a huge reduction in the current and prior year of registered indigents when compared to 2021/2022 financial year	The municipality has installed prepaid electricity meters and is in a process of implementing prepaid water meters and this will force indigent consumers to register as there are no free kiloliters of water.
Ensure sound financial sustainability and	<b>FVM 5.12</b>	Percentage reduction in the unauthorised expenditure"	R169 million	Opex	Opex	0%	0%	<b>Achieved</b>	N/A	N/A

	<b>GGP 6.1</b>	Percentage of Payments of creditor within 30 days	92,%	Opex	Opex	100%	100%	Achieved	N/A	N/A
Ensure sound financial sustainability and adhere to statutory prescriptions	<b>FRP 1.2</b>	Cost containment report in support of the budget	New indicator	Opex	Opex	Depreciation will be catered for in the 2024/2025 adjustment budget and the current collection rate will be looked at to cater for debt impairment calculation.	Municipality to include an annexure to the cost containment policy which provides breakdown of items to be reduced.	Achieved	N/A	N/A
Ensure sound financial sustainability and adhere to	FRP 1.3	Adopted 2024/25 funded adjustment budget	The data strings not credible	Opex	Opex	Approved adjusted funded budget	Partially achieved due to the unfunded budget approved by Council.	Partially Achieved	Cash reserved are not sufficient to cover current obligation which include error debt	Paying out our current error debt
Ensure sound financial sustainability	FRL 1.4	Align the adjustment budget for 2024/25 with the set targets	The budget was not aligned with the	Opex	Opex	Budget is aligned with FRP targets	We have work MSCOA data string alignment	Partially Achieved	Compliance to MSCOA	Review Budget

			2020 FRP targets							
	FRP 1.6	Adopted 2024/25 funded adjustment budget	Budgets adopted before the PT assessment	Opex	Opex	Adopted 2024/25 funded adjustment budget	Adjustment Budget considered PT Assessment comments to achieve MSCOA credible budget	Partially Achieved	Cash reserved are not sufficient to cover current obligation which include error debt	Paying out our current error debt
Ensure sound financial sustainability and adhere to statutory prescriptions	FRP 5.3	Reduction in expenses	Expenditure not aligned with the cash flow	Opex	Opex	2% Reduction on the inventory and bulk purchases by 5%	Bulk Purchases increased by 15% and Inventory Consumed decreased by 34,8%	Partially Achieved	The increase in electricity purchases and the percentage increase in bulk purchases by Eskom would not render it impossible to achieve this target	This target could not be achieved, and it was set by the FRP team and reasons for this target are not known

Ensure sound financial sustainability and adhere to statutory prescriptions	FRP 9.1	Recorded MSCOA Progress. Financial system assessment report	The data strings are not MSCOA compliant	Opex	Opex	Establish a functional financial management and accounting system by implementing all mSCOA reforms.	mSCOA implementation progress reported on monthly basis on S71 report	Achieved	N/A	N/A
Ensure sound financial sustainability and adhere to statutory prescriptions	FRP 9.2	<b>mSCOA implementation report</b>	MSCOA Committee not functional	Opex	Opex	The municipality will prepare appointment letters for members to serve in the MSCOA Steering Committee.	mSCOA steering committee was established and appointment letters issued to members	Achieved	N/A	N/A
Enhance public participation	<b>GGP 6.2</b>	Number Stakeholder consultation convened	2	Opex	Opex	4	4	Achieved	N/A	N/A

Monitoring Evaluate institutional Service Delivery	<b>GGP 6.7</b>	Percentage of TopLayer KPI Achieved	45%	Opex	Opex	90%	50%	Not Achieved	Poor Planning and project Management	Cascading of PMS to all Middle Management and improving project management planning
To create an efficient, effective	<b>GGP 6.9</b>	Percentage of complaints received and responded within 7 days	0	Opex	Opex	Development Standard operation Procedure	SOP No developed	Not Achieved	Lack of capacity	Reprioritised for 2025-26 financial year
Ensure good governance and	<b>GGP 6.11</b>	Qualified audit opinion	0	Opex	Opex	1 Qualification	Disclaimer	Not Achieved	Repeat findings and poor records management and controls	Implementation s od Audit action plan
Ensure good governance and compliance	<b>GGP 6.12</b>	Percentage of Audit findings resolved quarterly in line with audit action plan milestones.	0	Opex	Opex	80%	40%	Not achieved	1. Due to the slow implementation of AG and IA recommendations.	1. Going forward with the AG action plan will be the standing item in SMT meetings. 2. Alignment of AG findings inline with the adjusted SDBIP.

Ensure good governance and compliance	<b>GGP 6.15</b>	Percentage of Risk Based Audit Plan (RBAP) Implemented quartely	1	Opex	Opex	90%	79%	Not achieved	1. Due to capacity constraints within the IA unit and delays by departments in submitting the requested information for the completion of the projects, some of the planned projects for 24/25 FY had to be rescheduled and some are in progress, the projects are as follows: 1. overtime management, 2. Expenditure management, 3. Grants management and Environmental Audit.	1. Rescheduled projects have been included in 25/26 RBIA plan for implementation .
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Ensure good governance and compliance	<b>GGP 6.21</b>	Percentage of risk mitigation implemented quarterly	Quarterly risk assessment	Opex	Opex	60%	46,20%	Not achieved	Financial constrains including development Master plan	Application for funding form external stakeholders is continuesly done and funding has sources for development of Master plans
	<b>GGP 6.25</b>	Compliance to MFMA Requirements	Compliance register	Opex	Opex	90%	97%	Significant above expectation	N/A	N/A
Ensure sound financial sustainability and adhere to	<b>GGP 6.32</b>	Percentage (FRP) milestone achieved quarterly	38%	Opex	Opex	80%	52%	Not achieved	1. some of the findings within the pillars are not yet fully addressed as they are still in progress.	1. Monthly reporting on the progress made by each Pillar on the FRP work stream meetings.
To provide a reliable and effective ICT	<b>GGP 6.34</b>	Percentage of ICT implementation plan is achieved	0	Opex	Opex	70%	65%	Partially	Insufficient budget	Reprioritised implementation

Enhance public participation and stakeholder	<b>GGP 6.36</b>	Convene Mayoral Imbizo and IDP-Budget Roads Shows on or before end of March annually	14 Wards	Opex	Opex	14 wards	14 wards	Achieved	N/A	N/A
Ensure good corporate governance and public participation	<b>GGP 6.38</b>	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	60%	Opex	Opex	95%	95%	Achieved	N/A	N/A
Enhance administrative and	<b>GGP 6.40</b>	100% Implementation of Council resolution	0	Opex	Opex	90%	78.5%.	Partially	Delay in submission of report to compile agenda	Enforcement of the Council Calendar

Main streaming of HIV and AIDS across Municipality	<b>GGP 6.51</b>	Resuscitate of Local HIV/Aids Council	0	Opex	Opex	4	Local Aids Council has not been re-Launched	Not achieved	It was put on hold by Provincial Aids Council. It was resolved that, first there must be re-launch at District level	The Municipal HIV Council will reprioritised for 2025-26 financial year.
Ensure good governance and compliance	<b>GGP 6.53</b>	100% implementation of the Communication action plan by 30 June 2025	(3) Newsletter	Opex	Opex	100%	100%	Achieved	N/A	N/A

**6. CONCLUSION:**

There were 68 Key Performance Indicator (KPI) in the Adjusted Service Delivery Budget Implementation Plan for 2024-25 Financial year. For this Annual Performance Report 68 Key Performance Indicators has been reviewed. For the year under review 35 KPI (51%) were achieved, 11 KPI (16%) were not fully met (partially achieved) and KPI 33 (49%) were unacceptable performance.

Signed off by

A handwritten signature in black ink, consisting of several vertical strokes and a horizontal line extending to the right, enclosed within a hand-drawn circle.

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**MR. PUMELELO KATE**  
**MUNICIPAL MANAGER**

31 AUGUST 2025

**DATE**