

# ANNUAL REPORT

## DR. KENNETH KAUNDA

DISTRICT MUNICIPALITY



### VISION:

Exploring Prosperity Through  
Sustainable Service Delivery For All

### MISSION:

To Provide An Integrated District  
Management Framework In  
Support of Quality Service Delivery



**2024/25**

EXPLORING PROSPERITY

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## VOLUME I: NON – FINANCIAL REPORTING

### LIST OF ABBREVIATIONS

<b>ABP</b>	Area Based Approach
<b>ACLA</b>	Advisory Commission Land Allocation
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>ASGISA</b>	Accelerated Shared Growth Initiative of South Africa
<b>BEE</b>	Black Economic Empowerment
<b>BFHI</b>	Baby Friendly Hospital Initiative
<b>CASP</b>	Comprehensive Agricultural Support Programme
<b>CFO</b>	Chief Financial Officer
<b>CHC</b>	Community Health Centre
<b>CHS</b>	Community Health Service
<b>CHW</b>	Community Health Worker
<b>COGTA</b>	(Department of) Cooperative Governance and Traditional Affairs
<b>COHASA(COHSASA)</b>	Council for Health Service Accreditation of South Africa
<b>CSOs</b>	Civil Society Organizations
<b>DACE</b>	Department of Agriculture Conservation and Environment
<b>DBSA</b>	Development Bank of Southern Africa
<b>DDM</b>	District Development Model
<b>DLGHS</b>	Department of Local Government and Human Settlements
<b>DEAT</b>	Department of Environmental Affairs and Tourism
<b>DHP</b>	District Health Plan
<b>DLA</b>	Department of Land Affairs
<b>DMP</b>	Disaster Management Programme
<b>DOA</b>	Department of Agriculture/Dead on Arrival
<b>DOTS</b>	Directly Observed Treats
<b>DPW</b>	Department of Public Works
<b>DTI</b>	Department of Trade and Industry
<b>DWAF</b>	Department of Water Affairs and Forestry
<b>EAP</b>	Employee Assistance Programme
<b>ECD</b>	Early Childhood Development
<b>EDL</b>	Essential Drug List
<b>EDSC</b>	Environmental Data Standard System
<b>EPWP</b>	Extended Public Works Program
<b>GAMAP</b>	Generally Accepted Municipal Accounting Practice
<b>GDP</b>	Gross Domestic Product
<b>GGP</b>	Gross Geographic Product
<b>GIS</b>	Geographic Information System
<b>GITO</b>	Government Information and Technology Office
<b>GNP</b>	Gross National Product
<b>GRAP</b>	General Recognized Accounting Practice
<b>GVA</b>	Gross Value Added
<b>GVA-R</b>	Gross Value Added by Region
<b>HIV</b>	Human Immune Virus
<b>HOD</b>	Head Of Department
<b>IDP</b>	Integrated Development Plan
<b>IDT</b>	Independent Development Trust
<b>IGR</b>	Inter-Governmental Relations
<b>IMCI</b>	Integrated Management of Childhood Illnesses
<b>INP</b>	Integrated Nutrition Programme
<b>ISRDP</b>	Integrated Sustainable Rural Development Programme
<b>IT</b>	Information Technology
<b>JDF</b>	Joint Development Forum
<b>JIPSA</b>	Joint Initiative on Priority Skills Acquisition
<b>KEDEP</b>	KOSH Early Development Programme
<b>KOSH</b>	Klerksdorp-Orkney-Stilfontein-Hartebeesfontein
<b>KPA</b>	Key Performance Area
<b>KPI</b>	Key Performance Indicator
<b>LA</b>	Local Authority
<b>LDO</b>	Land Development Objectives
<b>LED</b>	Local Economic Development
<b>LG</b>	Local Government

<b>LTS</b>	Land Tenure System
<b>LUMS</b>	Land Use Management System
<b>MFMA</b>	Municipal Finance Management Act
<b>MHS</b>	Municipal Health Services
<b>MIG</b>	Municipal Infrastructure Grant
<b>MMC</b>	Member of Mayoral Committee
<b>MSDF</b>	Municipal Spatial Development Framework
<b>MSIG</b>	Municipal Systems Improvement Grant
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTREF</b>	Medium Term Revenue and Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>NDA</b>	National Development Agency
<b>NGO</b>	Non-Governmental Organization
<b>NQF</b>	National Qualification Framework
<b>NSA</b>	National Skills Authority
<b>NSDP</b>	National Spatial Development Perspective
<b>OHSA</b>	Occupational Health and Safety Act
<b>PGDS</b>	Provincial Growth and Development Strategy
<b>PHC</b>	Primary Health Care
<b>PIMSS</b>	Planning Implementation Management Support System
<b>PMS</b>	Performance Management System
<b>PMTCT</b>	Prevention from Mother to Child Transmission
<b>PSC</b>	Public Service Commission
<b>PSDF</b>	Provincial Spatial Development Framework
<b>RLCC</b>	Regional Land Claims Commission
<b>RPL</b>	Recognition of Prior Learning
<b>SAPS</b>	South African Police Services
<b>SAQA</b>	South African Qualification Authority
<b>SASSA</b>	South African Social Services Agency
<b>SDF</b>	Spatial Development Framework
<b>SDL</b>	Skills Development Levy
<b>SDM</b>	Southern District Municipality
<b>SEA</b>	Strategic Environment Assessment
<b>SMME</b>	Small Medium and Micro Enterprise
<b>SOE</b>	State of the Environment
<b>SOP</b>	Standard Operating Procedure
<b>STI</b>	Sexually Transmitted Infection
<b>TADSA</b>	Technical Aid To The Disabled in South Africa
<b>TB</b>	Tuberculosis
<b>UNESCO</b>	United Nations Education, Science and Cultural Organization
<b>URP</b>	Urban Renewal Programme
<b>VIP</b>	Ventilated Improved Pit-latrine
<b>WSA</b>	Water Services Authority
<b>WSDP</b>	Water Services Development Programme

## 1. CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

### 1.1. COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



It is with great honour and gratitude that I present the Annual Report of the Dr Kenneth Kaunda District Municipality for the 2024/25 financial year. This report reflects not only our policy direction, performance, and obstacles as a local government institution, but also our unwavering commitment to transforming lives, advancing service delivery, and working in partnership with our communities to build a sustainable and inclusive future.

More than five years following the onset of the COVID-19 pandemic; Dr Kenneth Kaunda District Municipality has made significant strides towards a full recovery. The District has not been spared from the Country's slow economic growth, skills and training needs, unemployment and poverty. We have seen an up scourge in incidents of Gender Based Violence and Femicide, substance abuse, and general unlawful conduct and crime. Who can forget the spate of illicit mining and freak floods the district experienced in the year under review.

We stand proud as the current Executive and administration, considering where we started. This report essentially is a testament of the output of a process that earnestly began in 2021 which required bold and uncomfortable leadership. This meant the installation of an institutional culture shift that required dismantling some old and dysfunctional ways; recovery of functional systems, establishment and rebuilding of better ways, encouraging and fostering high performance and reengineering systems that will deliver for the people of Dr KK District.

#### **Key Policy Developments**

This financial year marks a significant chapter in the ongoing transformation and service delivery journey of our District Municipality. In line with the constitutional mandate of local government—our work continues to be anchored in the founding principles outlined in the White Paper on Local Government (1998), the Municipal Structures Act (1998), the Municipal Systems Act (2000), and other enabling legislation.

The municipality has successfully implemented an improved and inclusive public participation model that allows for more direct community engagement. This has ensured that the Integrated Development Plan (IDP) is not only compliant with legislative requirements but also reflective of the lived realities, aspirations, and priorities of our residents. The new approach includes increased use of ward-based planning, stakeholder forums, and digital platforms to broaden access and ensure inclusivity, especially amongst the vulnerable, marginalized and youth groups.

Significant progress has also been made through the District Development Model (DDM)— a vital structure of intergovernmental coordination, collaboration, and planning. The District One plan, which is a social contract between all role players, has provided much needed targeted delivery. The functional DDM structures in our district have proven to be effective instruments in fostering collaborative planning, coordinated delivery, and alignment of resources across national, provincial, and local spheres of government.

The political and administrative stability of our municipality has further enhanced investor confidence, positioning the district as an attractive destination for both local and international investment. Transparent governance, financial accountability, and consistent stakeholder engagement have played a key role in creating a conducive environment for economic growth and development.

In response to the socio-economic challenges of youth unemployment and post-mining economic transition, the municipality has led a massive rollout of strategic partnerships aimed at skills development and re-skilling initiatives. Working in collaboration with Technical and Vocational Education and Training (TVET) colleges, Department of Employment and Labour, Sector Education and Training Authorities (SETAs), and the private sector, we have launched several programs focused on equipping young people and former mineworkers with relevant, in-demand skills. These initiatives are empowering beneficiaries to participate meaningfully in the evolving job market and to pursue opportunities in entrepreneurship, green economy sectors, and digital innovation.

### **Key Service Delivery Improvements**

Over the past year, we have made significant strides in executing our core functions, which amongst other include community services, disaster risk management, local economic development, infrastructure and roads, environmental health services, and support for vulnerable groups. The key sectors to economic recovery, re-positioning, and re-branding of our district remain focused on Agriculture & Agro-processing; Manufacturing; Tourism; Mining; and Social & Sports development. The past financial year has been one of remarkable progress and solid achievement. I am proud to report that following our internal audit, we have successfully met over 90% of our Key Performance Indicators (KPIs) across all strategic focus areas. This is a clear demonstration of our collective efforts, sound leadership, and strong administrative capability — despite the financial and environmental challenges that continue to confront municipalities across the country.

Basic service delivery remains at the heart of our developmental agenda. Under this pillar, we recorded significant milestones. We advanced our community services through proactive air quality management, regular waste management operations, consistent water sampling, and intensified municipal health and environmental awareness campaigns. These initiatives are vital to ensuring the health and well-being of our residents. Our teams conducted food quality inspections, and assessed road infrastructure ensuring safe and reliable mobility across the district. Transformation and institutional development within the municipality remains a priority. In the year under review, we strengthened institutional capacity through the implementation of our Workplace Skills Plan and organisational development initiatives aimed at improving employee productivity and workplace conditions. These efforts ensure that our staff are better equipped to serve the people of DrKKDM with excellence.

Creating jobs and stimulating local economic growth continue to be key strategic goals. Through targeted Local Economic Development (LED) and Expanded Public Works Programme (EPWP) initiatives, we created 338 jobs. An additional 100 jobs were generated through Community Public Beneficiary (CPB) programmes, as well as through our support of Tourism, ARSTA (Arts, Recreation, Sports, Tourism, and Agriculture), and Cultural initiatives. Notably, three impactful Agricultural projects were successfully launched, helping to promote food security and rural economic upliftment.

Although challenges persist in the financial viability and management landscape, we remain committed to fiscal discipline and transparency. We achieved an 80% performance under this key performance area, demonstrating continued improvement in our financial management systems. Having attained an

unqualified audit opinion with findings for the past three (3) consecutive years, we will continue working towards achieving a clean audit and strengthening revenue enhancement in the coming year. We are especially proud of our performance in the area of Good Governance and Public Participation, where we recorded unprecedented improvement and achievements. Through the full-scale implementation of the District Development Model; this integrated approach has accelerated service delivery and allowed for better-targeted interventions in areas such as infrastructure, health, education, and local economic development.

Our focus on social inclusion also bore fruit. Educational support was extended through full bursaries and educational support to deserving learners. We partnered with civil society organisations that represent over eighteen (18) sectors such as people living with HIV/AIDS, Youth, Anti- Gender based violence and femicide, and sectors fighting Substance and drug abuse. We are excited by the positive impact brought by the focused programmes we rolled out, aimed at vulnerable groups including persons with disabilities, the elderly, and military veterans — ensuring that no one is left behind. We also recorded great achievements under Spatial Rationale, particularly through improved firefighting services, winter awareness campaigns, and proactive disaster risk mitigation. Our Disaster Risk Management unit proved instrumental in saving lives by issuing early warnings during the recent devastating floods, thereby mitigating loss of life and property. Improved coordinated response mechanisms have increased our district’s resilience to the changing climate and environmental hazards.

### **Future Actions (2025/26)**

As we reflect on this year’s progress, we also look forward to building on these achievements. The municipality continues to be a catalyst for partnerships in skills development, particularly targeting the youth, and we remain committed to supporting our local municipalities in addressing challenges such as street lighting, access to clean water, environmental health, and eradicating illegal dumping. We will further review our DDM One plan and District Gender based violence and femicide Strategy in line with current and future conditions.

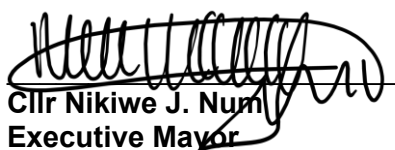
### **Agreements/ Partnerships**

The district continues to provide audit support services to Maquassi-Hills LM, through the shared Internal Audit. The Audit and Risk Committee is also a shared service and provides an advisory role to the Maquassi-Hills LM. The partnership between the district and sector departments, local municipalities and SALGA continue through the District Development Model program, in an effort to ensure the efficient provision of services to our communities.

Our intensified partnerships with various skills and training partners are starting to yield the intended objectives of a skills revolution that truly empowers our communities to be co-creators of their future.

### **Conclusion**

I wish to express my sincere appreciation to our Council, administration led by the Municipal Manager, stakeholders, and most importantly, the residents of Dr Kenneth Kaunda District. Your support, cooperation, and dedication have been invaluable in enabling us to make this progress possible. Let us move forward, together, with the shared vision of a responsive, people-cantered, and developmental municipality.



**Cllr Nikiwe J. Numbi**  
**Executive Mayor**  
**Date: 23 January 2026**

## 1.2. COMPONENT B: EXECUTIVE SUMMARY

### 1.2.1. MUNICIPAL MANAGER'S OVERVIEW



The Municipal Manager is the honoured to present the Draft Annual Report (AR) for the 2024/25 financial year of the Dr. Kenneth Kaunda District Municipality. The Municipality's performance, accomplishments, challenges and pledges in carrying out our constitutional mission to deliver effective, responsible and responsive local government are all thoroughly detailed in this report.

The Municipal Manager can confirm that this Draft Annual Report 2024/25 was developed in accordance with guidelines of National Treasury MFMA Circular No. 63 of September 2012, as defined by the Local Government: Municipal Finance Management Act (MFMA), No. 56 of 2003.

MFMA, Section 121(2) prescribes that Municipalities prepare Annual Reports and put forth the required contents thereof. It further states that the purpose of the Annual Report is:

- a) to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- b) to provide a report on performance in service delivery and budget implementation for the financial year; and
- c) to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

The 2024/25 financial year has been a period of both progress and reflection. Guided by the principles of the Local Government: Municipal Systems Act (Act 32 of 2000) as amended, the Local Government: Municipal Finance Management Act (Act 56 of 2003), and other legislative prescripts, we continued to strengthen our governance, financial management and service delivery processes. This report presents financial matters affecting the affairs of the Dr.KKDM, as well as the performance review against predetermined objectives outlined in the Integrated Development Plan (IDP) as well as the Service Delivery and Budget Implementation Plan (SDBIP) documents.

Significant strides were made in enhancing the implementation of our Performance Management System, ensuring alignment between our Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Strategic Objectives of the Municipal Council. Through this, the municipality sought to deepen accountability, transparency and improved service delivery to the communities the district municipality serve.

While municipality celebrate notable achievements during the year under review, it also recognises the challenges that remain, including capacity constraints, limited budget and the need to accelerate sustainable development initiatives. These challenges call for continuous innovation, strengthened partnerships and collective commitment from all stakeholders. The municipality also acknowledges that there is a need that our budget be reviewed, considering that the municipality is rendering Fire and Rescue Services that is not funded.

This 2024/2025 Draft Annual Report also serves as a vital tool for community participation and oversight. It reflects not only our successes but also the areas where improvement is required, thus enabling constructive engagement between the Municipality, Council, Communities, and the municipality's oversight bodies.

### **Alignment of Municipal Services to the Integrated Development Plan (IDP) and Municipal Council Strategic Objectives**

The District Municipality has through the Municipal Council, adopted and approved the 2024/25 IDP amendments with the main focus on Powers and Functions in terms of the Local Government: Municipal Systems Act, No. 32 of 2000 (MSA) as amended, Section 25.

The Division of Functions and Powers in terms of the Local Government: Municipal Structures Act, No. 117 of 1998, (MSSA), Sections 84(4)(a) and 85(1) that allows the Minister responsible for the Department of Cooperative Governance and Traditional Leaders and; Member of the Executive Council (MEC) responsible for Cooperative Governance, Human Settlements and Traditional Leaders to revoke or adjust performance of functions and exercise of powers respectively. It is based on this background that the Dr. Kenneth Kaunda District Municipality will engage the Minister DCoGTA and MEC DCoGHSTA.

The IDP Sector Departments Engagements, the IDP Representative Forum, Technical IGR Fora, Disaster Advisory Forum and the PMS District Forum, are some of the formal functional structures in the district and some of which needs to be resuscitated.

### **Service Delivery Performance**

The summary of performance in terms of achievement of targets stands at 90%, at the end of the 2024/25 financial year and has been reviewed by the Internal Audit, and presented before the Audit and Risk Committee. The Department of Community Services, through the Unit: Municipal Health and Environmental Services, has from time to time taken water samples to ensure compliance with the applicable norms and standards. Food safety and environmental awareness campaigns received priority attention. Pollution control also received attention with mining houses having submitted their dust reduction plans.

### **Financial Sustainability**

The Dr Kenneth Kaunda District Municipality (Dr.KKDM) is wholly grant dependent due to the RSC Levy Replacement and Equitable Share as the main sources of income and represents ninety-two-point three percent (92,3%). This is reflected through the total income/revenue amount of R235 405 286 with the RSC Levy Replacement and Equitable Share indicated by R184 806 000 and R33 503 000 respectively.

The Statement of Performance reflects a significant improvement in financial performance, with the deficit decreasing from R20 565 723 in the 2023/24 financial year to R2 893 441 in the 2024/25 financial year. This represents a substantial reduction in the deficit year-on-year. Furthermore, the Statement of Financial Position for 2024/25 indicates that current assets amounting to R48 486 104 exceed current liabilities of R33 604 730, reflecting an improved liquidity position.

## **Policies**

During the year under review, several policies were approved and these included amongst others, the PMS Policy Framework, the Employees Bursary Policy and the Dr Kenneth Kaunda District Municipality Bursary Policy for non-employees. The municipality also engaged in a policy review session and the following policies were reviewed; Performance Management and Development System Policy, Recruitment and Selection Policy, Bursary Policy, Occupational Health and Safety Policy, Correspondence Policy, Records Management Policy, and Records Procedural Manual. The Budget-Related Policies were approved with the Medium-Term Revenue and Expenditure Framework (MTREF) in 2024/25.

## **Shared Services**

The Dr Kenneth Kaunda District Municipality Audit and Risk Committee has a shared service with MHLM. The purpose is to assist the Maquassi-Hills Local Municipality in improving their audit outcome through auditing of their financial and performance reports.

## **Conclusion**

In conclusion, I wish to extend my sincere appreciation to the Executive Mayor, Speaker, Councillors, management team, staff members, communities, and partners who have contributed to the Municipality's efforts throughout the 2024/25 financial year. Together, we remain committed to building a capable, ethical, and developmental municipality that responds effectively to the needs of our people.



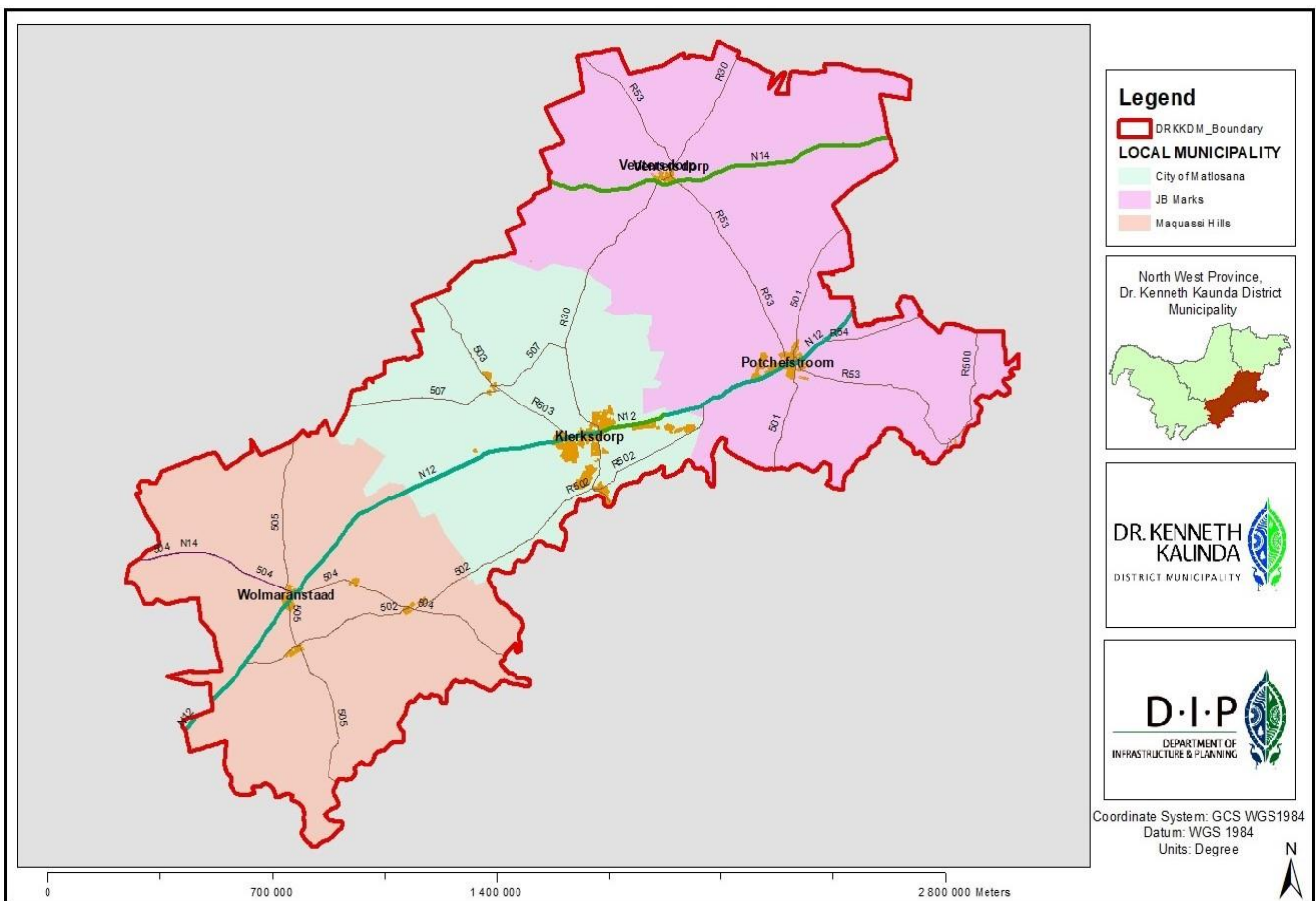
**Mokgathe J. Ratlhogo**  
**Municipal Manager**  
**23 January 2026**

## 1.2.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### INTRODUCTION TO BACKGROUND DATA

The Dr Kenneth Kaunda DM consists of three local municipalities i.e., Matlosana, JB Marks and Maquassi Hills. The area covered by the District Municipality appears on the map below (Figure 1) and this is followed by the demographics. The statistical information is the combination of the Census 2011, the 2016 Community Survey by StatsSA and the IHS Markit Regional eXplorer, the Dr Kenneth Kaunda DM Spatial Development Framework of 2011 and other analyses described hereunder. The analyses are based upon the demarcation boundaries as at 2016 provided by the Municipal Demarcation Board (MDB) of the Republic of South Africa.

Figure 1: Map of Dr Kenneth Kaunda District Municipality



## Total Population

According to Statistics South Africa (Community Survey 2016 and Mid-year Population Estimates 2021), the population of the Dr. Kenneth Kaunda District in 2021 (based on 2016 municipal boundaries) was 803 301, having increased from 742 822 in 2016 (Consider Table 1). The population is unevenly distributed among the three (3) Local Municipalities and the average annual growth rate of the district is 1.07% between 2016 and 2021, expected to stay the same between 2021 and 2026.

Table 1: Population Figures

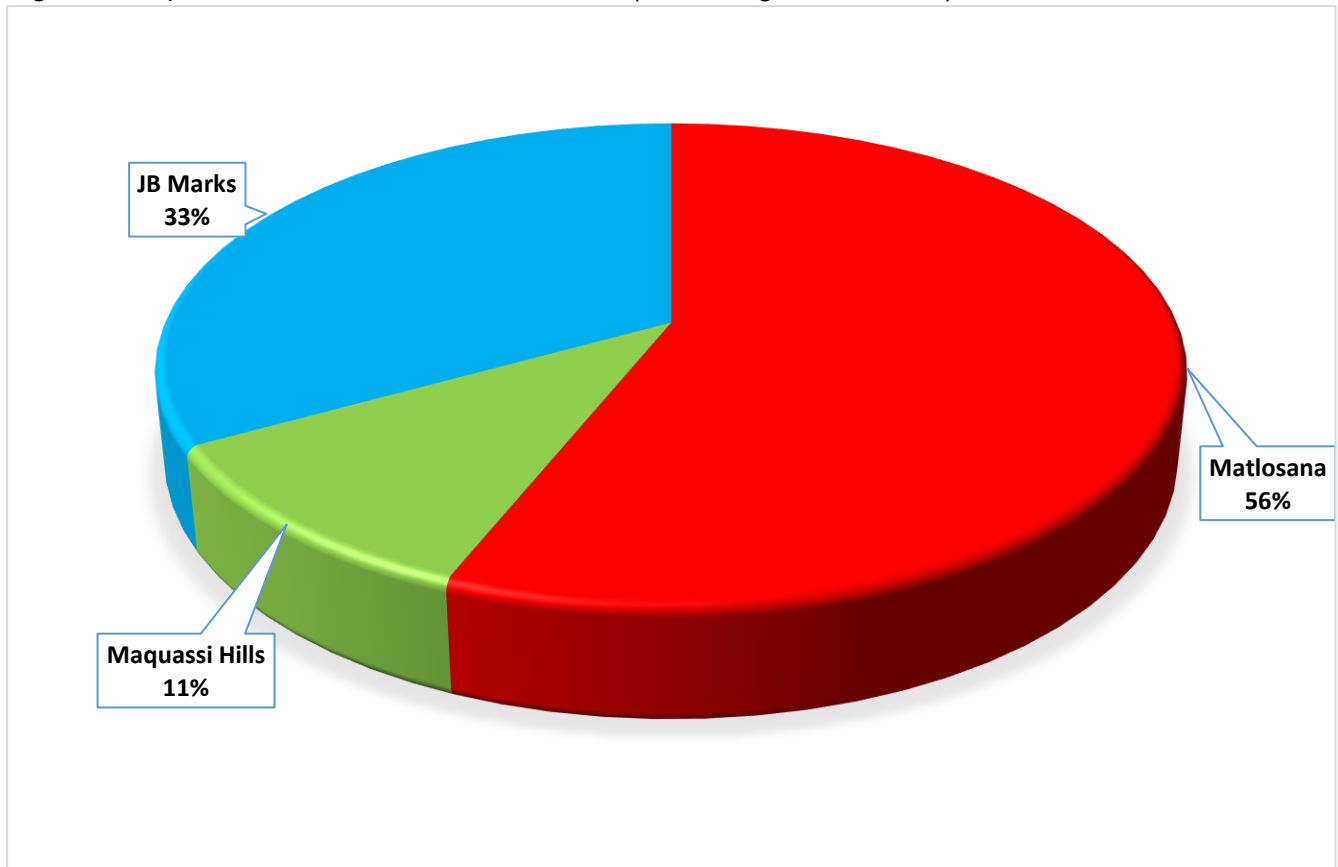
MUNICIPALITY	TOTAL POPULATION				POPULATION (%)				ANNUAL GROWTH (%)	
	CENSUS 2011	CS 2016	2021 MYE	2026 MYE	2011	2016	2021	2026	2016-21	2021-26
JB Marks	219463	243528	265843	291083	31,3	32,2	33,1	34	1,09	1,09
City of Matlosana	398676	417281	450629	474131	57,5	56,8	56,1	55	1,08	1,05
Maquassi Hills	77794	82013	86828	90457	11,2	11	10,8	11	106	1.04
Dr Kenneth Kaunda	695933	742822	803301	855671	100	100	100	100	1,07	1,07

The majority of the Dr. Kenneth Kaunda District population reside within the City of Matlosana LM (56.1, down from 56.8% in 2016), followed by JB Marks LM (33.1 up from 32.2% in 2016). The Local Municipality with the lowest population in the Dr. Kenneth Kaunda District is Maquassi Hills (10.8, down from 11.0%). The number of wards per local municipality is Matlosana (39), JB Marks (34) and Maquassi Hills (11) for a total of 84 in the DM, as on September 2016 (Statistics SA, Census 2011, Community Survey 2016, Mid-year Population Estimates 2021). The number of households within the Dr. Kenneth Kaunda District was estimated at 253 901 in 2021, from 223 358 in 2016, and 198 784 in 2011 (Mid-year Population Estimates 2021) (Consider Table 2).

Table 2: Household Numbers and Estimates

	2006	2011	2016	2021	2026	2031
National	12658068	14076373	16061483	18575346	21314230	24099042
NW Province	796393	796393	796393	796393	796393	796393
Dr Kenneth Kaunda DM	183587	198784	223358	253901	286313	319369
Matlosana LM	109286	114955	125448	138469	151874	165326
Maquassi Hills LM	18560	20104	22597	25639	28724	31613
JB Marks LM	55740	63725	75313	89793	105715	122430

Figure 2: Population of Dr Kenneth Kaunda DM (Percentage Distribution)



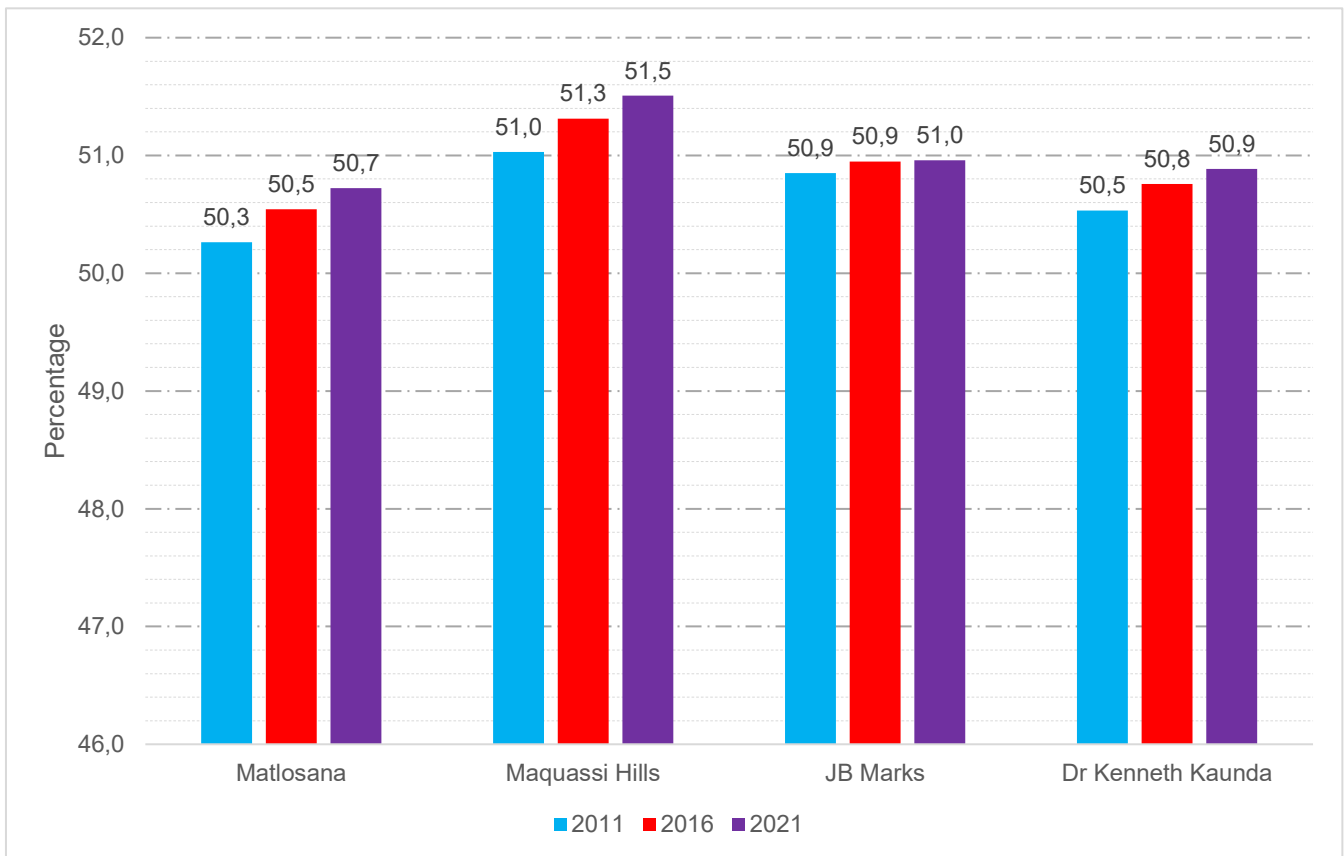
Source: Statistics SA, Community Survey 2016  
StatsSA, Mid-year Population Estimates, 2021

### Population by Gender

The gender structure of the North West Province, Dr Kenneth Kaunda DM and its constituent local municipalities is the accompanying Figure 3. This information indicates a fairly equal distribution between male and female population in all constituent municipalities. The proportion of the female population is for JB Marks, 51.0%, Matlosana, 50.7%, Maquassi Hills, 51.5%, and the Dr Kenneth Kaunda DM averages at 50.9%.

There are no significant changes that occurred between 2016 and 2021 in terms of gender population. It would normally be expected that the gender structure of the population in an area dominated by the mining sector (such as Matlosana) is dominated by males due to the presence of migrant workers. The continuous closure of mines has seen the male: female population percentage ratio in Matlosana at almost 50:50 (percentage points). This is consistent with the Census of 2011 and the Community Survey of 2016. But, across the board the female population averages about 51% of the district population, and continue to increase mildly.

Figure 3: Percentage Female Population, 2011, 2016, 2021



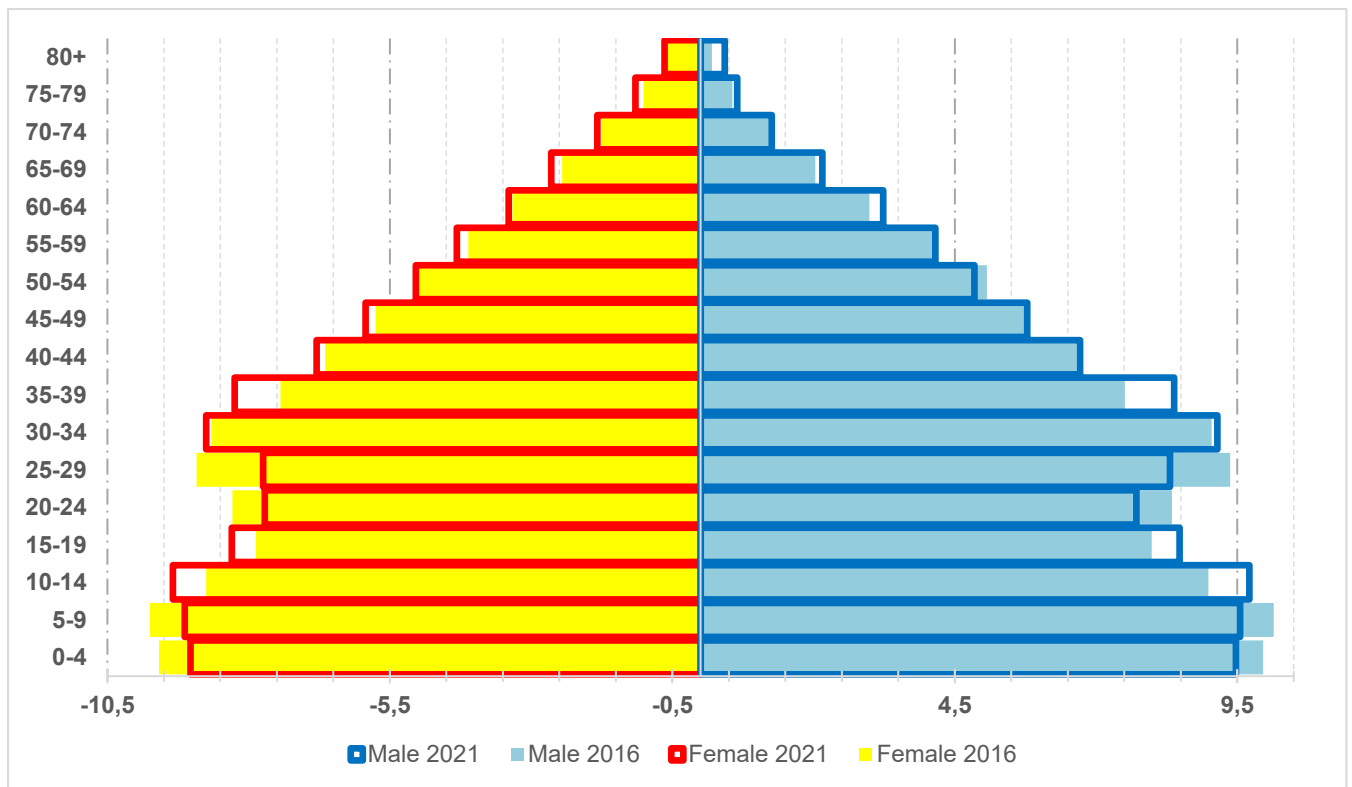
Source: Statistics SA, Census 2011  
 Statistics SA, Community Survey 2016  
 StatsSA, Mid-year Population Estimates, 2021

### Population by Age

The population pyramid (Figure 4.) indicates that there were more people in younger ages, particularly in age groups 0–4 and 5–9, and less people in older ages, particularly from the ages 65 and older. A new cycle of the pyramid is being developed from the lower ages, barring some significant changes in the mortality rates. The graph explicitly indicates that between about ten (10) to twenty (20) years ago, infant mortality was high, hence the indentation in the pyramid. The death rate affected the mainly young children and teens. The ages of 20 and upwards followed a normal pyramid, and is still following the same trend. In 2016, the percentage of the population in the age groups 20 to 30 was higher than in 2021. This may be attributed to a lower percentage of working age population in 2021, because there is a lower percentage of working age people due to the closure of mines.

The population distribution has, however, followed a normal distribution for the past ten years. This may be attributed to the increasing quality of health care which contained the epidemic successfully. There is also a noteworthy scenario in which the lower age groups (0-4 and 5-9) of both male and female are less in 2021 than they were in in 2016.

Figure 4: Population Pyramids in Percentage: 2016 and 2021



Source: Statistics SA, Census 2011  
 Statistics SA, Community Survey 2016  
 StatsSA, Mid-year Population Estimates, 2021

### Population by Province of Previous Residence

According to Table 2, the highest number of immigrants from outside the province come from the Gauteng Province, followed by the Free State, then those outside the Republic of South Africa, and then the Eastern Cape Province.

Table 3: Population numbers by Province of Previous Province

	WC	EC	NC	FS	KZN	NW	GP	MP	LIM	Outs ide RSA	Do not know	Not Applica ble	Un- spec ified	Total
Matlosan a	310	1070	49 8	25 89	446	3098 4	3477	36 1	750	1618	99	375013	69	4172 82
Maquass i Hills	20	19	49	35 0	0	6599	333	0	458	239	0	73944	0	8201 2
JB Marks	630	459	48 4	20 17	426	1502 5	5081	47 4	834	618	75	217388	17	2435 27
Dr KKDM	959	1548	10 31	49 56	871	5260 8	8891	83 5	2042	2474	174	666345	86	7428 21

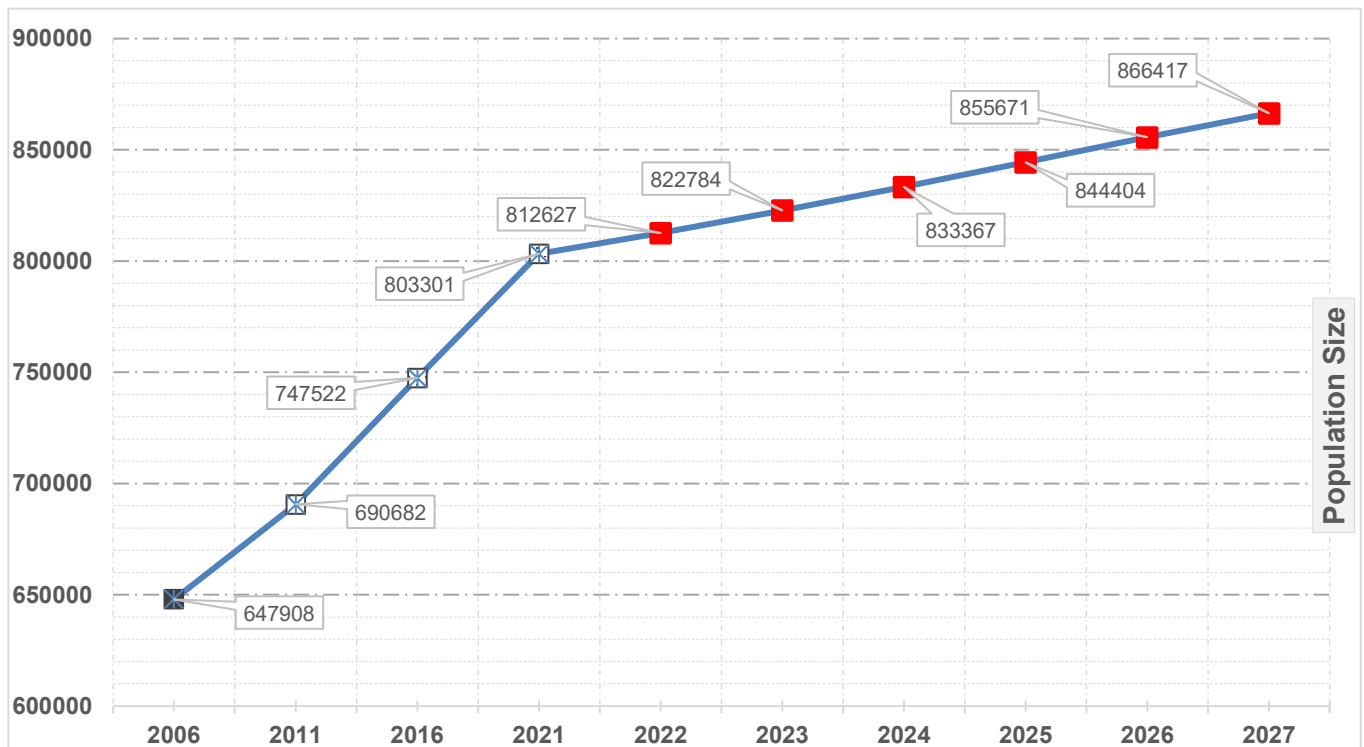
Source: Statistics SA, Community Survey 2016

## Population Growth Rate

The population growth figures for the district between 2011 and 2016 are summarized in Table 1 and Figure 5. According to the official Statistics SA data, the total population have increased from 742822 in 2016 to 803 301 in 2021. The average annual growth rate has stayed relatively stable at 1.07% between 2011 to 2016, increasing slightly at 1.08% between 2016 and 2021. This growth rate is significantly lower than 2.1% which is necessary to maintain the current population levels constant in the district.

Various population growth rates are being utilized for the purpose of population projections in various existing policy documents and plans. STATSSA assumed a constant growth of 1.07% from 2021 to 2026 to project the growth rate between the two years in the district. The projected population figures, based on this scenario will be 812627 in 2022 and 855671 respectively by 2026.

Figure 5: Population Projections, 2006-2027



Source: Statistics SA, Census 2011  
 Statistics SA, Community Survey 2016  
 StatsSA, Mid-year Population Estimates, 2021

The population characteristics and trends as referred to above take cognizance of migration trends to and from the district and its surrounding areas.

## Population Education Levels

The status and changes in the education profile of the district population between 2001 and 2016 is given in Table 4 and depicted on Figures 6 (a) and (b). There has been a significant improvement in skills development, most notably the decrease of adult illiteracy by 0.67 as a percentage of the population. In addition, the percentage of people without matric have decreased by 0.91%, with a corresponding increase in the proportion of population with matric and equivalent (0.05%), matric and bachelor's degrees (or equivalent qualification (0.52%)) and matric plus postgraduate degrees (or equivalent qualification (0.08%)).

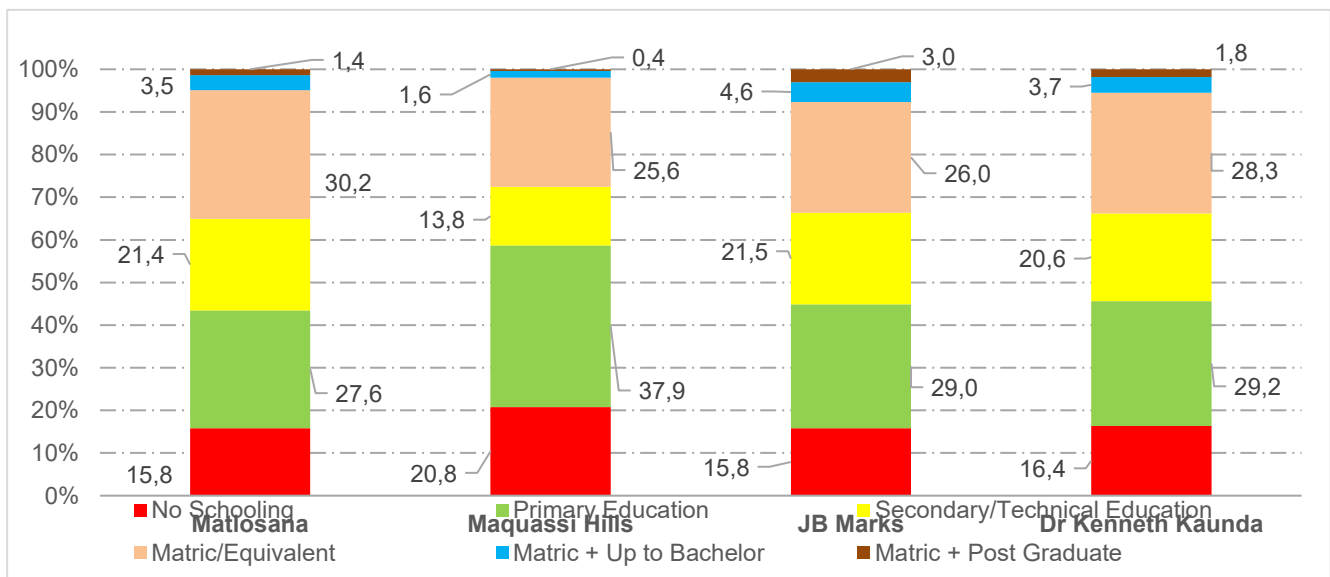
Matlosana has the highest proportion of the population with matric (30.2%), with the lowest proportion in Maquassi Hills (25.6%). Maquassi Hills has also a corresponding higher percentage of the population with a qualification of primary education at 37.9% (district average is 29.2%) and slightly higher percentage of the population without any schooling at 20.8% (higher than the district average of 16.4%). JB Marks local municipality has a higher percentage of the population with qualifications higher than matric at 7.6% to the district average of 5.5%.

Table 4: Education Profile of Population older than 20 Years: 2016

	Primary Education	Secondary/ Technical Education Less than Matric	Matric with up to Bachelor	Matric and Post Graduate	Matric and Equivalent	No schooling
Dr Kenneth Kaunda	211851	205075	26570	13060	149296	118655
Matlosana	112333	122742	14330	5551	87128	64383
Maquassi Hills	30636	20670	1255	343	11137	16775
JB Marks	68882	61662	10985	7166	51032	37498

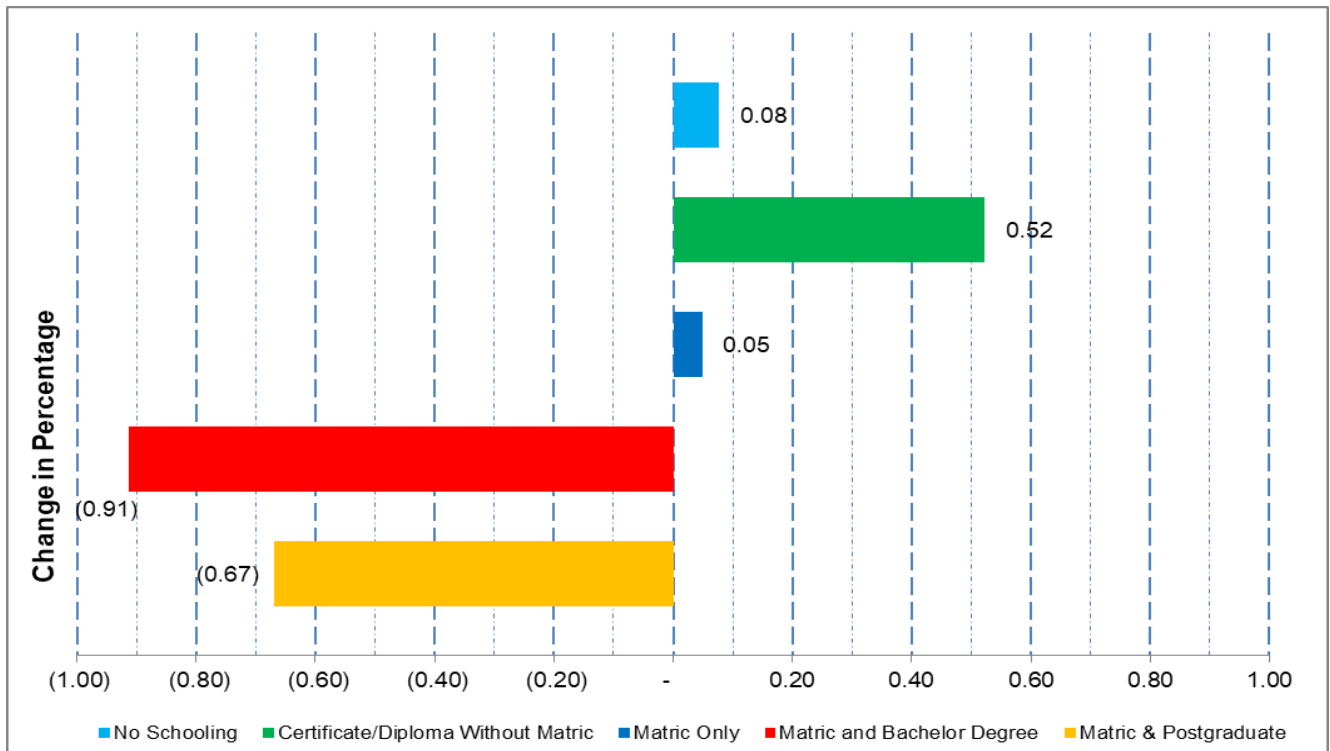
Source: Statistics SA, Community Survey 2016

Figure 6 (a): Education Profile of Population Older than 20 Years: 2016



Source: Statistics SA, Community Survey 2016

Figure 6 (b): Change in the Education Profile of Population across Dr KKDM (2016)



Source: Statistics SA, Community Survey 2016

### Spatial Analysis

The spatial analysis of the Dr Kenneth Kaunda DM is given in the Spatial Development Framework (SDF) review document adopted in March 2011. The review, which started in 2009, was of the original 2004 document which had become outdated due to the many developments that had occurred since it was completed-including Merafong City Local Municipality being incorporated into and out of the District Municipality.

Analysis and additional information, including the Strategic proposals based on both the 2004 and the 2011 adopted documents, is given under Chapter D of the 2022/23 IDP.

### Social and Economic Analysis of Patterns, Trends and Risks

The analyses that follow are mainly derived from statistical information provided by Statistics SA, 2016 Community Survey and IHS Markit Regional eXplorer:

## Access to Basic Services

The following table indicate the access to basic services for households within the DM, according to the Statistics SA, 2016 Community Survey.

Table 5 (a): Access to Basic Services

Municipality	Percentage Access to Basic Services								
	Electricity: Cooking	Electricity: Lighting	Electricity: Space Heating	Electricity: Water Heating	Electricity: General	Formal Refuse Removal	Access to Safe Drinking Water	Sanitation (Connected to a public sewerage system)	Formal Dwelling
City of Matlosana	90.9	95.7	69.6	91.5	96.0	95	85.4	95.4	91.6
Maquassi Hills	90.4	96.6	53.1	87.9	94.5	76.8	92.2	87.9	87.3
JB Marks	82.9	91.4	52.1	85.2	92.9	79.6	89.9	77	85.5
Dr Kenneth Kaunda	88.2	83.3	62	89	94.8	87.9	87.6	88.6	89.1

Source: Statistics SA, Community Survey 2016

The majority of households in the DM (87.6%) have access to piped water either inside the dwelling, inside the yard or from an access point outside the yard. About 87.9% have access to refuse removal for at least once a week, while almost 88.6% have sanitation that is connected to a formal sewage system. Almost 89.1% of the population stay in formal dwellings and about 95% have access to one or another form of access to electricity access (Table 5 (a)).

Table 5 (b) provides information on the number of types of dwelling per local municipality in the district. In addition to the information on the provision of services in the district, Table 5 (c) details the number of backlogs of sanitation, water and housing in the local municipalities from 2011 to 2020. There is a consistent decrease in the backlogs in all areas, but housing shortages are very high.

Table 5 (b): Main Type of Dwelling in the DM

	Formal dwelling/house or brick/concrete block structure on a	Traditional dwelling/hut/structure	Flat or apartment in a block of flats	Cluster house in complex	Townhouse (semi-detached house in a	Semi-detached house	Formal dwelling/house/flat/room in backyard	Informal dwelling/shack in	Informal dwelling/shack not in	Room/flatlet on a property or larger dwelling/flatlet	Caravan/tent	Other	Unspecified	Total
City of Matlosana	345725	4024	8579	1483	5144	4244	11602	15220	16131	1313	-	3817	-	417282
Maquassi Hills	70783	169	199	20	54	64	239	2721	2486	94	-	5182	-	82012
Ventersdorp /Tlokwe	175410	765	8463	1984	854	2673	16603	12439	20502	1463	54	2319	0	243527
Dr Kenneth Kaunda DM	591918	4958	17241	3487	6052	6981	28444	30380	39119	2870	54	11318	0	742821

Source: Statistics SA, Community Survey 2016

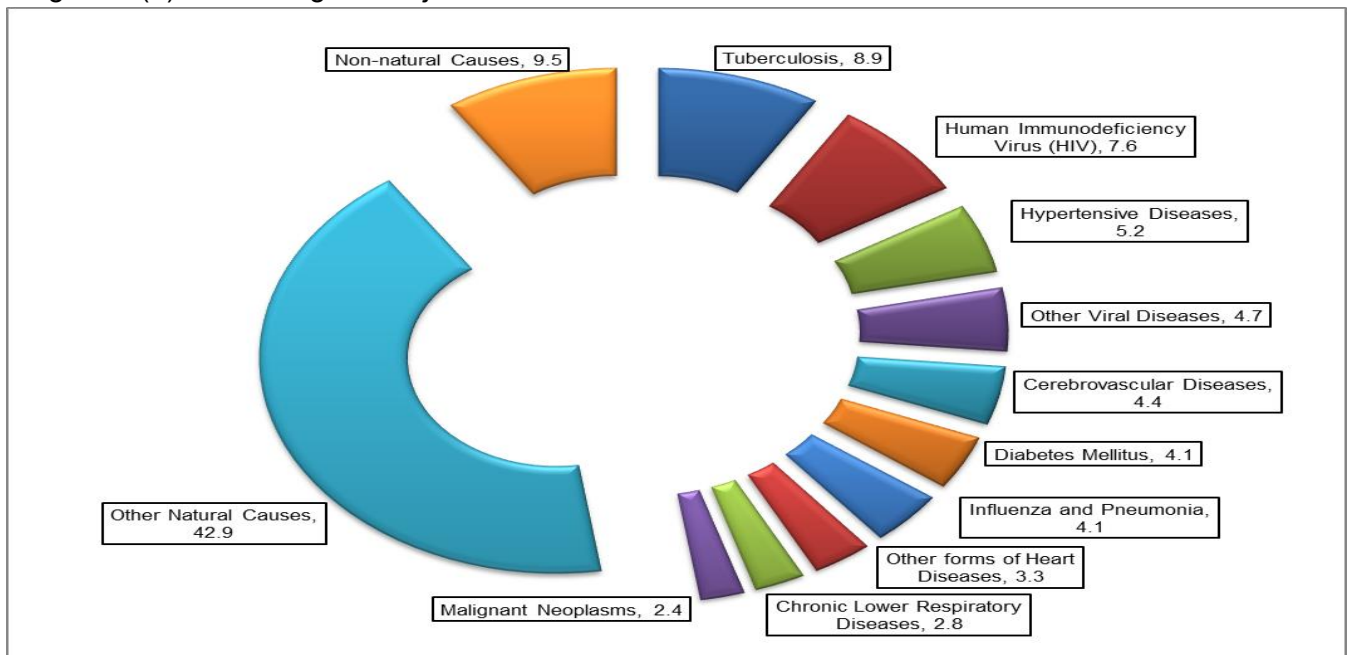
Table 5 (c): Service Delivery Backlogs in the Dr KKDM Municipalities

Years	Sanitation			Water			Housing		
	Matlosana	Maquassi Hills	JB Marks	Matlosana	Maquassi Hills	JB Marks	Matlosana	Maquassi Hills	JB Marks
2011	8 066	4 597	9 059	4 350	2 223	6 109	22 734	4 456	13 199
2012	7 653	4 427	9 043	5 153	2 352	6 360	23 718	4 690	13 238
2013	7 383	4 253	9 256	5 747	2 401	6 497	24 037	4 764	13 353
2014	7 285	4 009	9 500	5 354	2 175	6 108	23 151	4 574	13 396
2015	6 819	3 537	9 590	3 926	1 679	5 326	20 846	4 089	13 698
2016	4 887	2 527	9 027	2 132	892	4 151	17 687	3 392	13 672
2017	4 606	2 228	8 367	1 887	741	3 799	17 315	3 343	13 441
2018	4 435	1 938	7 861	1 878	723	3 840	17 172	3 272	13 181
2019	4 243	1 602	7 286	1 918	729	3 991	16 616	3 149	12 677
2020	3 933	1 235	6 380	1 914	722	4 044	15 475	2 901	11 612

### Major Causes and Number of Deaths by Age Group

According to the Mortality and Causes of Death in SA, 2015, (a publication of Statistics SA) the major causes of death in the Dr Kenneth Kaunda district measured in 2015 were led by non-natural causes at 9.5%, followed by tuberculosis at 8.9%. The HIV infection rate was measured at 7.6% in the same period and the number of AIDS related deaths, as a percentage of the DM population is standing at 7.6% (Fig 7 (a)).

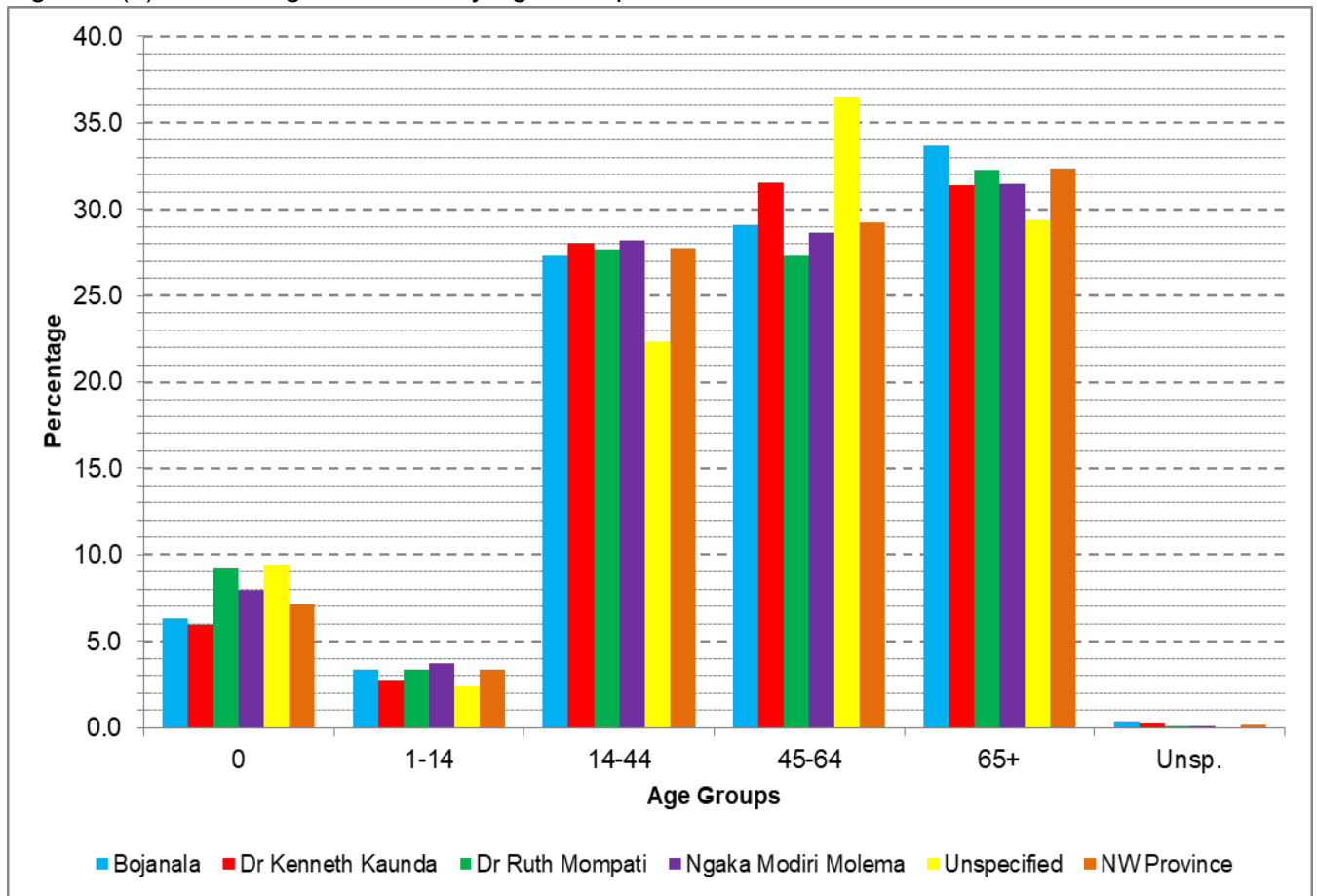
Figure 7 (a): Percentage of Major Causes of Death



Source: Statistics SA, Mortality and Causes of Death in SA, 2015

In the same period, according to the same publication, the number of deaths per age group were almost similar across the district municipalities in the North West Province (consider Figure 7 (b)). In the age group 45-64, the district municipality with more deaths as a percentage is Dr Kenneth Kaunda DM (at 30%), while Bojanala Platinum DM has the highest percentage of deaths per population in the age group above 65 years (close to 34%). Across the province, infant mortality rate is at 7%, while the lowest percentage of deaths per population in the province is in the age group of 1-14 years (about 3.3%).

Figure 7 (b): Percentage of Deaths by Age Groups



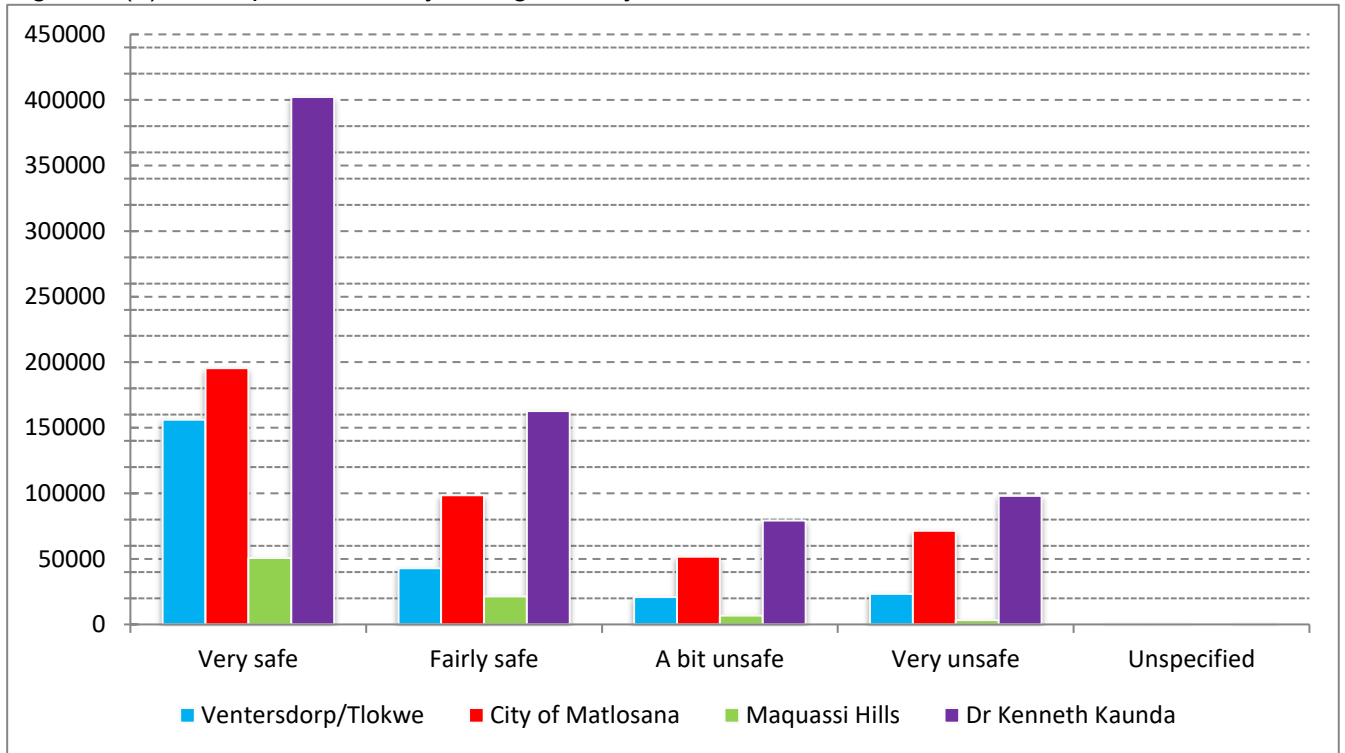
Source: Statistics SA, Mortality and Causes of Death in SA, 2015

### Crime and Perception of Safety

The largest number of people who feel safe during the day the district (with 54%), is highest in Ventersdorp/Tlokwe at about 64%, with less than 50% of people who feel safe are located in Matlosana (lowest at 47%). (Consider Fig 8 (a)). The converse is also replicated where the highest number of people (17%) in Matlosana feel very unsafe during the day, followed by Ventersdorp/Tlokwe at 10% and the least at Maquassi Hills (4%).

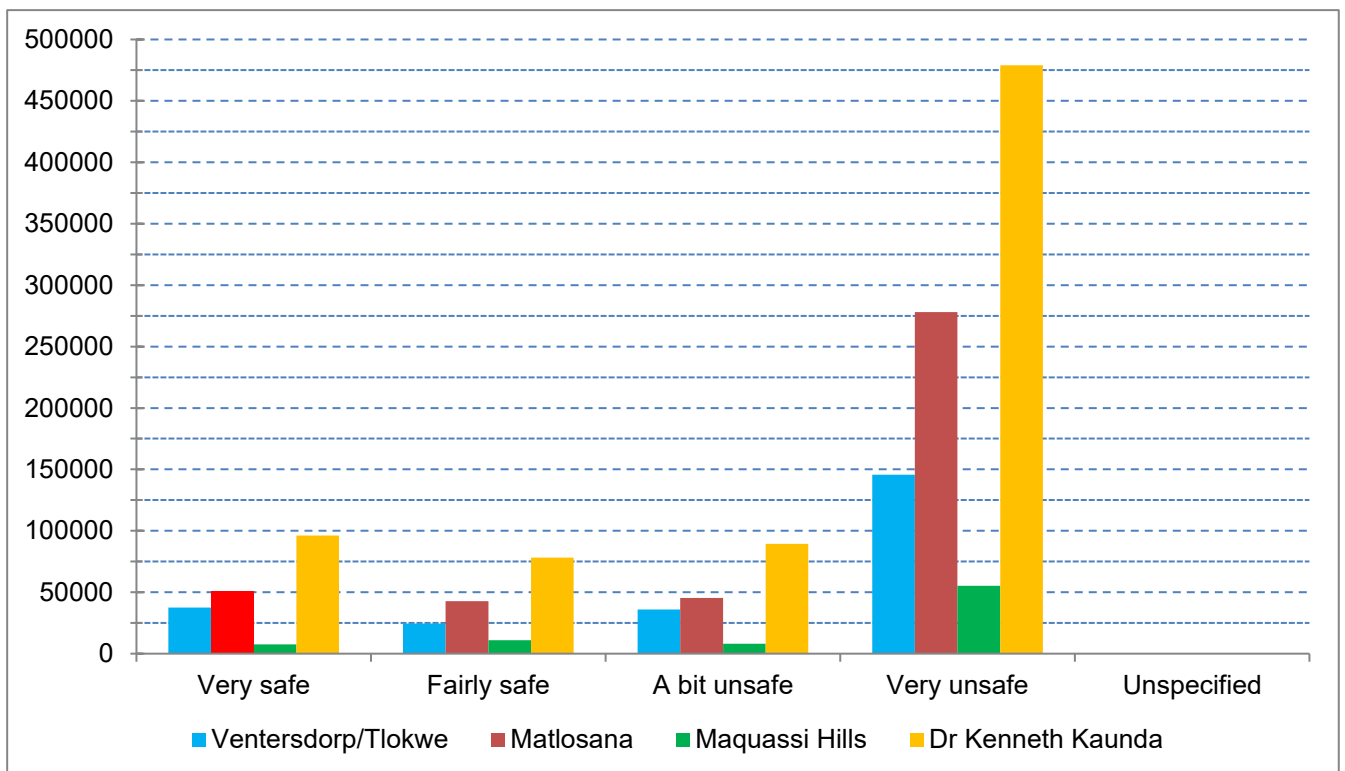
At least 60% of people feel very unsafe in the dark, with an average of 64% across the district. Maquassi Hills and Matlosana share the highest percentage, per population number of people who feel very unsafe in the dark at 67% and Ventersdorp/Tlokwe at 60%. An average of people who feel very safe in the dark is 13% across the district, with 15% in Ventersdorp/Tlokwe and the lowest number being found in Maquassi Hills at 9% per total municipality population. (Consider Fig 8 (b)).

Figure 8 (a): Perception of Safety during the Day



Source: Statistics SA, Community Survey, 2016

Figure 8 (b): Perception of Safety in the Dark



Source: Statistics SA, Community Survey, 2016

## Economic Performance and Trends

### Growth Domestic Product

Annual GDP growth in the DM broadly follows the national trend. DM GDP growth is generally lower than both the national and provincial averages. The next Tables 6 (a)-(c) indicate annual GDP growth rates for the local municipalities within the DM over the periods 2006-2011, 2011-2016 and 2011-2023 (with estimates of the three years beyond 2020).

Table 6 (a): Average Growth Rate for Dr Kenneth Kaunda Municipalities, 2006-2016

	Dr Kenneth Kaunda	City of Matlosana	Maquassi Hills	JB Marks	
<b>Gross Domestic Product by Region (GDP-R)</b>					
	<b>Average annual growth (Constant 2010 Prices)</b>				
	2006-2011	-0.8%	-2.5%	2.7%	2.1%
	2011-2016	-1.2%	-2.4%	-0.1%	0.7%

Source: IHS Markit Regional eXplorer version 1181

The average growth rate of the entire DM declined by 0,8% between 2006 and 2011. The decline continued to increase to 1.2% in the following five years. The main contributor to the decline in the economic growth was City of Matlosana, going down by 2.5 and 2.4 percentage points in the respective periods. The JB Marks Municipality grew by 2.1 and 0.7 percent in the same timeframes, indicating a steady decline across the board (Table 6 (a)).

Table 6 (b): Gross Domestic Product (GDP) for Dr KK Municipalities, Share and Change, 2006-16

	2016 (Current prices)	Share of district municipality	2006 (Constant prices)	2016 (Constant prices)	Average Annual growth
City of Matlosana	35.40	58.88%	26.15	20.40	-2.45%
Maquassi Hills	3.25	5.40%	1.78	2.02	1.29%
JB Marks	21.48	35.72%	12.08	13.84	1.37%
Dr Kenneth Kaunda	60.13		40.01	36.26	

Source: IHS Markit Regional eXplorer version 1160

Table 6 (b) profiles the GDP share and changes of the local municipalities' contributions between 2006 and 2016. The JB Marks Municipality had the highest average annual economic growth, averaging 1.37% between 2006 and 2016, when compared to the rest of the regions within the Dr Kenneth Kaunda District Municipality. The Maquassi Hills local municipality had the second highest average annual growth rate of 1.29%. City of Matlosana local municipality had the lowest average annual growth rate of -2.45% between 2006 and 2016.

The greatest contributor to the Dr Kenneth Kaunda District Municipality economy is the City of Matlosana local municipality with a share of 58.88% or R 35.4 billion, increasing from R 17.1 billion in 2006. The economy with the lowest contribution is the Maquassi Hills local municipality with R 3.25 billion growing from R 1.3 billion in 2006.

With a GDP of R 60.1 billion in 2016 (up from R 27.1 billion in 2006), the Dr Kenneth Kaunda District Municipality contributed 22.79% to the North-West Province GDP of R 264 billion in 2016: decreasing in the share of the North-West from 25.79% in 2006. The Dr Kenneth Kaunda DM contributes 1.39% to the GDP of South Africa which had a total GDP of R 4.34 trillion in 2016 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2006 when it contributed 1.47% to South Africa, but it is lower than the peak of 1.47% in 2016.

Table 6 (c): Gross Domestic Product by Region (GDP-R)-Dr KK DM, and Local Municipalities-2011-2023

Average annual growth (Constant 2015 Prices)				
Year	Dr Kenneth Kaunda	Matlosana	Maquassi Hills	JB Marks
2011	3,9%	3,4%	5,4%	4,8%
2012	-4,2%	-5,6%	-1,3%	-2,0%
2013	5,1%	4,8%	4,7%	5,8%
2014	-0,2%	-1,1%	0,6%	1,2%
2015	-0,6%	-1,2%	-0,5%	0,4%
2016	-0,6%	-1,9%	0,2%	1,5%
2017	2,2%	2,2%	2,8%	2,2%
2018	3,5%	3,3%	3,9%	3,9%
2019	1,3%	1,2%	1,1%	1,7%
2020	-3,4%	-3,3%	-3,1%	-3,5%
2021	6,3%	6,7%	5,4%	5,9%
2022	1,7%	1,5%	1,5%	2,0%
2023	1,8%	1,7%	1,5%	2,0%

Source: IHS Markit Regional eXplorer version 1160

Table 6 (c) depicts an updated version of the GDP of the region as a whole with its family of local municipalities beyond 2016. In addition, the table makes a projection of the GDP between 2021 and 2023, showing a positive growth across the board. There was an increase in the GDP between 2017 and 2019 in the district, the highest being at an average of 3.5% in 2017. This positive growth was followed by a decline of 3.4% in the district in 2020. Projections are that later data will show a significant increase in growth of 6.3% in 2021 (contributed mainly by Matlosana at 6.7%) an average increase of about 2% (1.7 and 1.8%) in 2022 and 2023.

### Sectoral Comparative Advantage

The comparative advantage of an area indicates a relatively more competitive production function for a product or service in that specific economy, than in the aggregate economy. The economy therefore produces the product or renders the service more efficiently. The location quotient is an indication of the comparative advantage of an economy. A location quotient of larger than one (1) indicates a relative (favorable) comparative advantage in that sector. The Location Quotient of Dr Kenneth Kaunda DM and its family of local municipalities in 2020 is given in Table 7. It shows that Maquassi Hills and JB Marks have a favorable comparative advantage in Agriculture. Matlosana still has a relative comparative advantage in Mining, while all are doing well in community services. Trade can be considered also for investment purposes across the district, as well as construction.

Table 7: Location Quotients for Dr Kenneth Kaunda Municipalities, 2020

	Dr Kenneth Kaunda	Matosana	Maquassi Hills	JB Marks
Agriculture	1,45	0,65	6,14	2,08
Mining	1,19	1,50	0,64	0,77
Manufacturing	0,40	0,34	0,40	0,50
Electricity	1,11	1,13	0,33	1,18
Construction	0,95	0,94	1,36	0,91
Trade	1,08	1,17	1,03	0,94
Transport	0,87	0,95	0,83	0,74
Finance	0,87	0,92	0,66	0,81
Community services	1,31	1,22	1,23	1,46

Source: IHS Markit Regional eXplorer Version 1160

## Household Income

The income profiles (in Rands) of the municipalities within the district is depicted in Table 8 and illustrated in the accompanying graph (Figure 9), showing the distribution of annual household income among the different income groups in the Dr. Kenneth Kaunda District Municipality, as measured in the 2016 StatsSA, Community Survey.

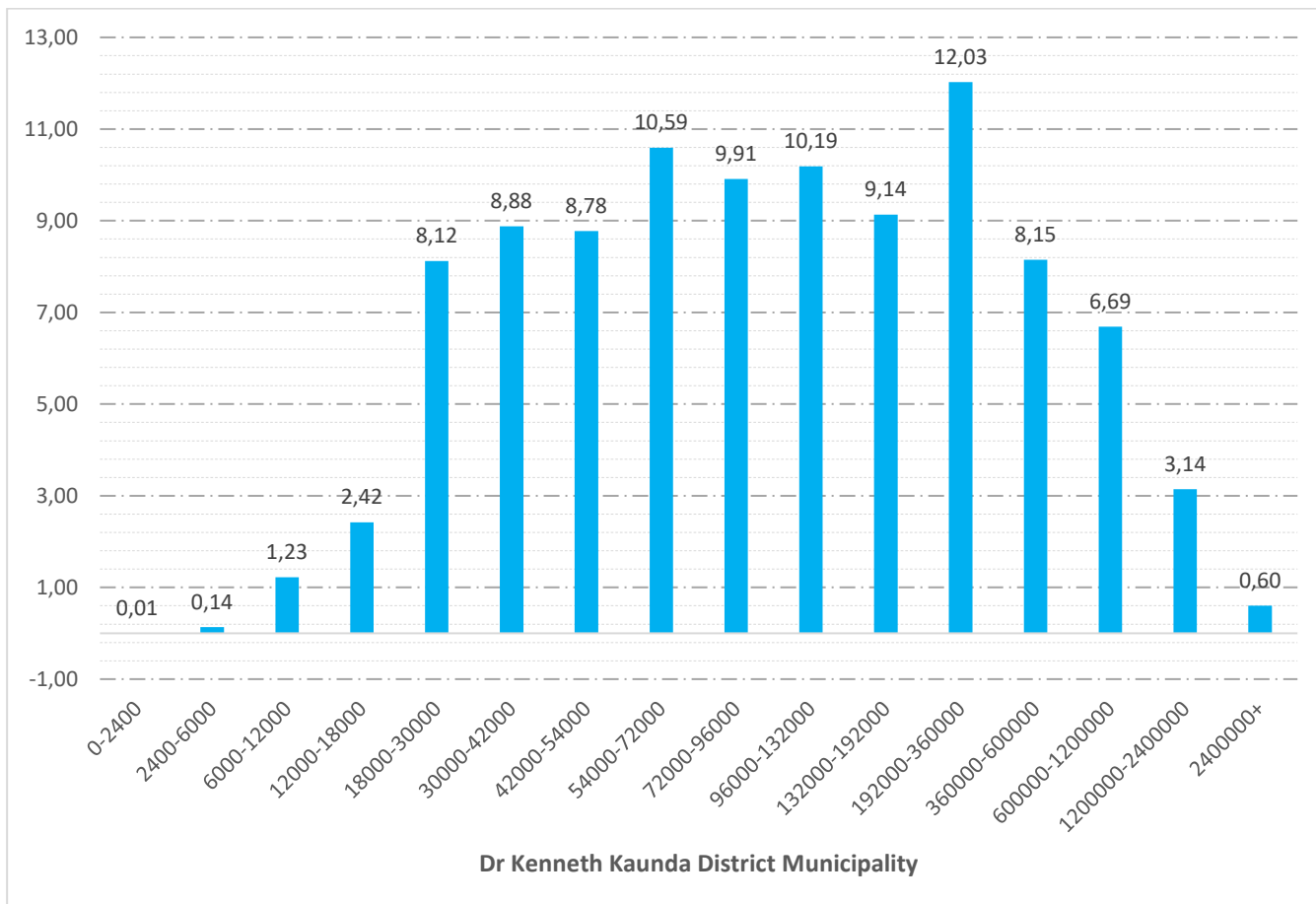
Table 8: Number of Households by Income in Dr Kenneth Kaunda Municipalities, 2020

	Dr Kenneth Kaunda	City of Matlosana	Maquassi Hills	JB Marks
0-2400	17	10	2	5
2400-6000	317	188	37	92
6000-12000	2 814	1 672	333	810
12000-18000	5 553	3 261	655	1 636
18000-30000	18 632	10 735	2 287	5 610
30000-42000	20 370	11 313	2 586	6 471
42000-54000	20 144	11 066	2 476	6 603
54000-72000	24 312	13 584	2 820	7 908
72000-96000	22 754	12 728	2 395	7 630
96000-132000	23 377	13 168	2 250	7 960
132000-192000	20 967	11 944	1 890	7 133
192000-360000	27 605	15 866	2 253	9 485
360000-600000	18 710	10 850	1 289	6 572
600000-1200000	15 359	8 678	936	5 744
1200000-2400000	7 212	3 993	406	2 813
2400000+	1 377	755	72	550
Total	229 522	129 811	22 688	77 023

According to the table and graph, the highest number of households in the DM (12.03%) earn between R 192 000 - R 360 000 per annum, followed by those between R 54 000 - R 72 000 at 10.59%. The data also show that above 85.8% of households earned a monthly income of between R 18 000 and R 600 000 per annum (R1 500 – R50 000 p.m.). Approximately 89.4% of the entire households across the district earn below R50 000 monthly, indicating that only about 10.6% of the households earn above this income bracket.

The figures also indicate a proportionally higher income profile in JB Marks LM compared to the other two local municipalities. More than 43.1% of the highest income earners, above R1 200 000 per annum (R100000 per month) come from this particular municipality. The Matlosana City Council, due to its high population size (with more households), accounts for about 54.9% of the income of the households in the district.

Figure 9: Percentage Annual Household Income in the Dr KKDM (as a % of the No. of Households), 2020



Source: IHS Markit Regional eXplorer Version 1160

## Employment and Labour Profiles

### Economically Active Population

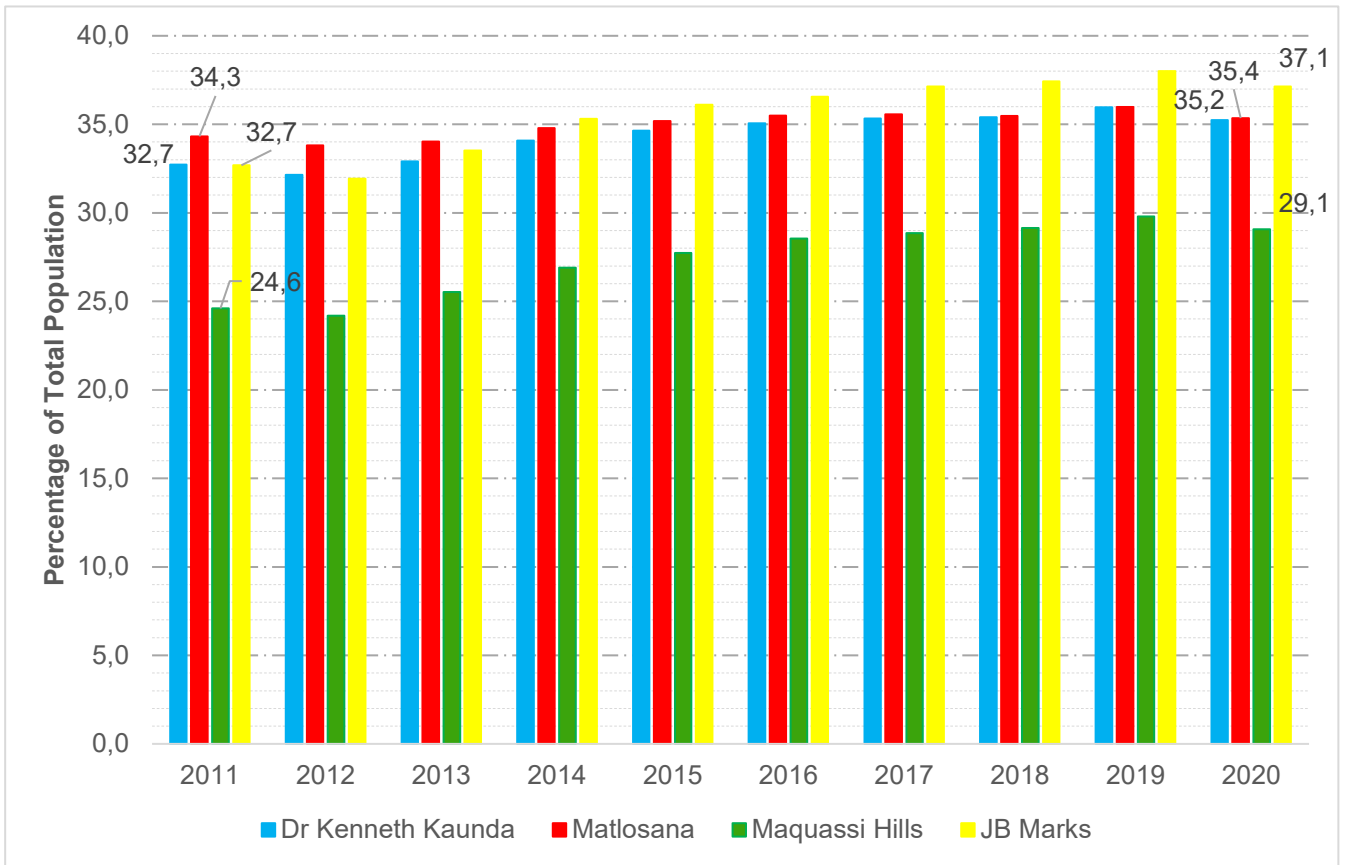
The economically active population (EAP), also called the “work force” (Figure 10), corresponds to the number of people in the stage of working or productive life. This group includes people who have an occupation and those who do not but are looking for it. It is the part of the population capable of providing goods or services to the market because it meets certain variables such as age range, education level, work experience, among others. It is made up of two large groups:

Employed population: one who has a job.

Unemployed population: It is the part of the population that has no job but is in active search.

The EAP of the Dr Kenneth Kaunda DM has increased from approximately 32.7% to 35.4% from 2016 to 2020. The local municipality with the highest EAP in the district is JB Marks at 37.1%.

Figure 10: Economically Active Population (Percentage) of Dr KKDM and its Locals: 2011-2020



Source: IHS Markit Regional eXplorer Version 1160

## Unemployment Rate

In 2020, the unemployment rate in Dr Kenneth Kaunda District Municipality (based on the official definition of unemployment) was 21.3%, which is a decrease of 3.3 percentage points from 2011 (Figure 11 (a)). The unemployment rate in Dr Kenneth Kaunda District Municipality is higher than that of North-West and the national government. The unemployment rate for South Africa was 26.43% in 2016, which is a decrease of 0.668 percentage points from 25.8% in 2006. In the district, Matlosana has the highest unemployment rate at 26.3% and JB Marks the lowest at almost half of Matlosana at 13.2%.

According to the official definition of youth unemployment rate, ages between 15 and 24 years, the figure in the district is 50.1%, with Matlosana standing at 60.3% (the highest) and JB Marks at 34.0% (the lowest) (Figure 11 (b)). The youth unemployment rate on average was declining from 2015 (in Maquassi Hills and JB Marks, declining from 2012) until 2018, when it started a steady upward trend until 2020.

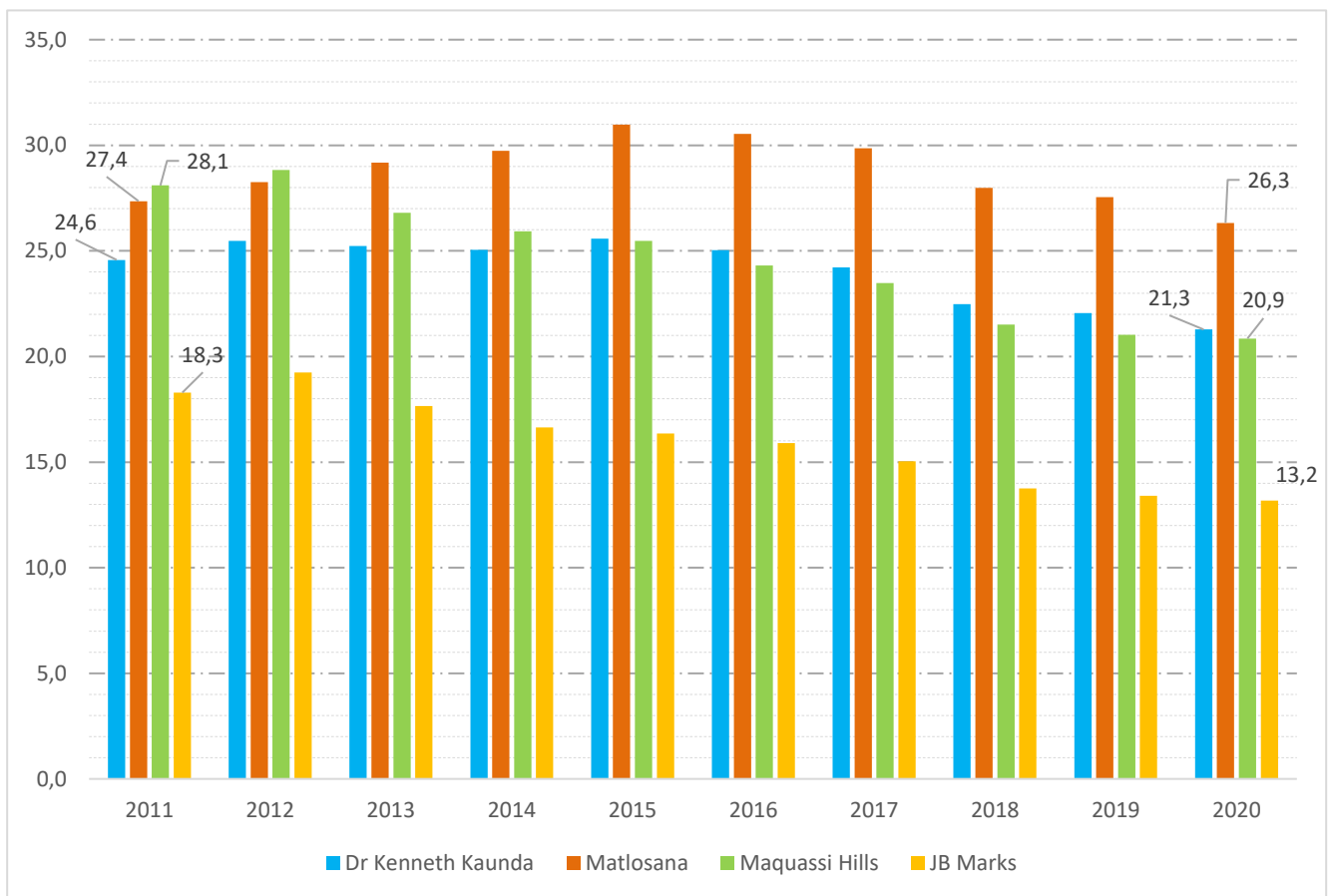
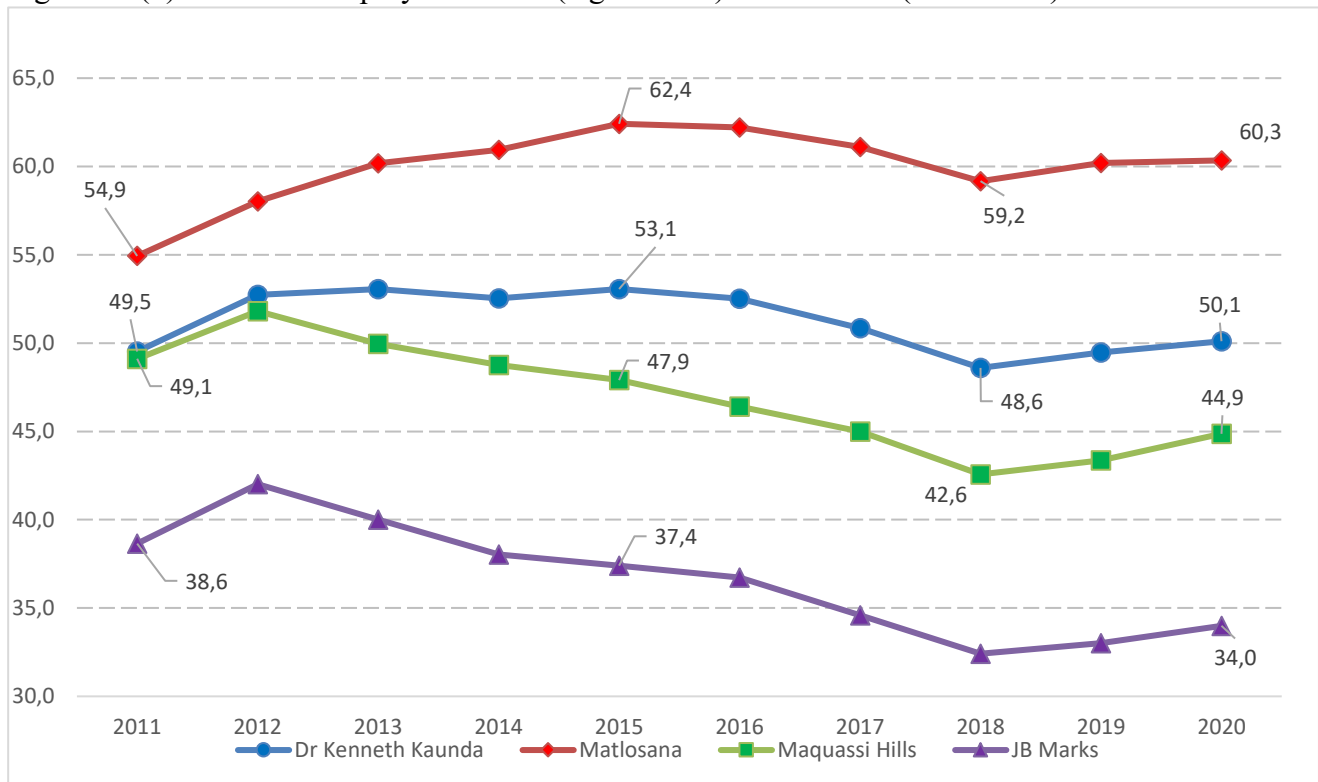


Figure 11 (a): Overall Unemployment Rate: DR KKDM (2011-2020)  
Source: IHS Markit Regional eXplorer

Figure 11 (b): Youth Unemployment Rate (Ages 15-24): DR KKDM (2011-2020)



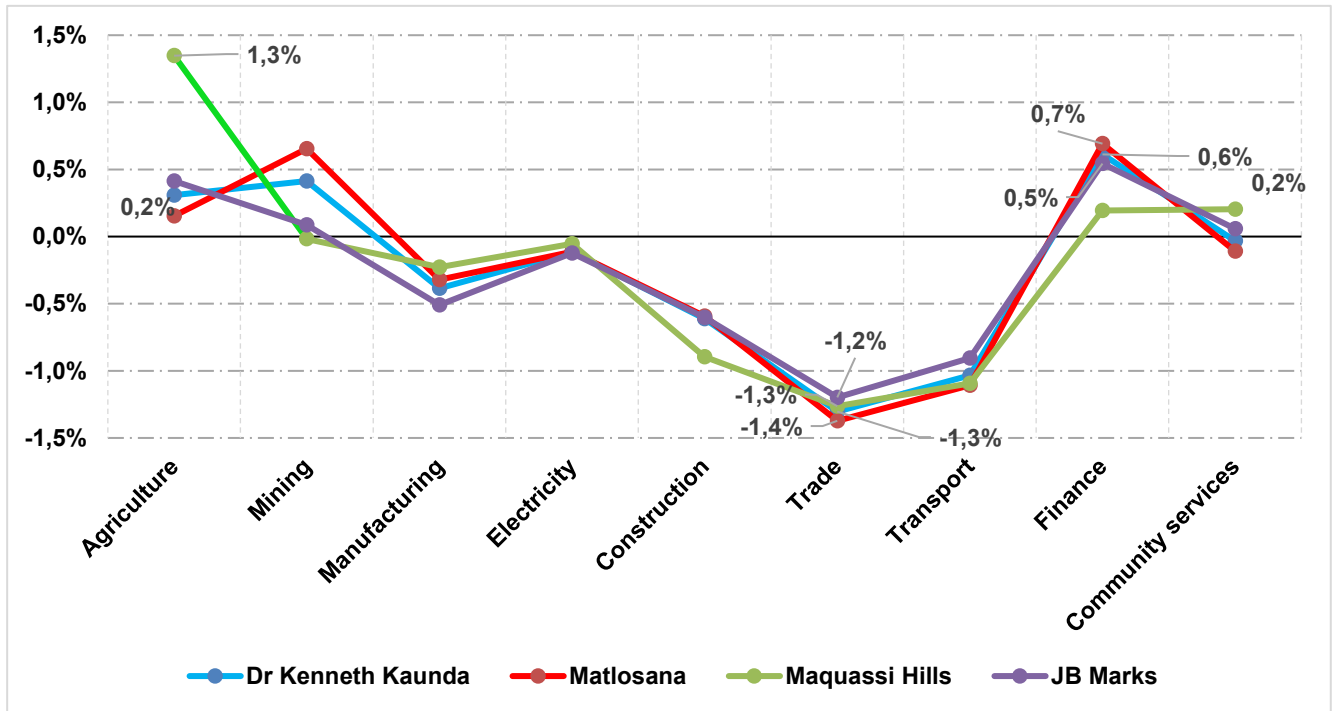
Source: IHS Markit Regional eXplorer

### Sectoral Contribution to Economic Growth

As outlined in Figure 12 (a) the largest in the sectoral contribution to economic growth (Constant 2015 Prices) in 2020 was in the Finance (0.7%) and Mining (0.4%) sectors the in Dr Kenneth Kaunda district and its locals. The municipality that experienced the largest growth is Maquassi Hills in agriculture and Matlosana experienced the biggest loss in trade at -1.4%. A similar pattern is followed by all sectors, differing in values only. The largest proportional gains in employment was achieved in the Community Services (33%) , Trade (22%) and Finance (15%) in 2020 (Figure 12 (b)).

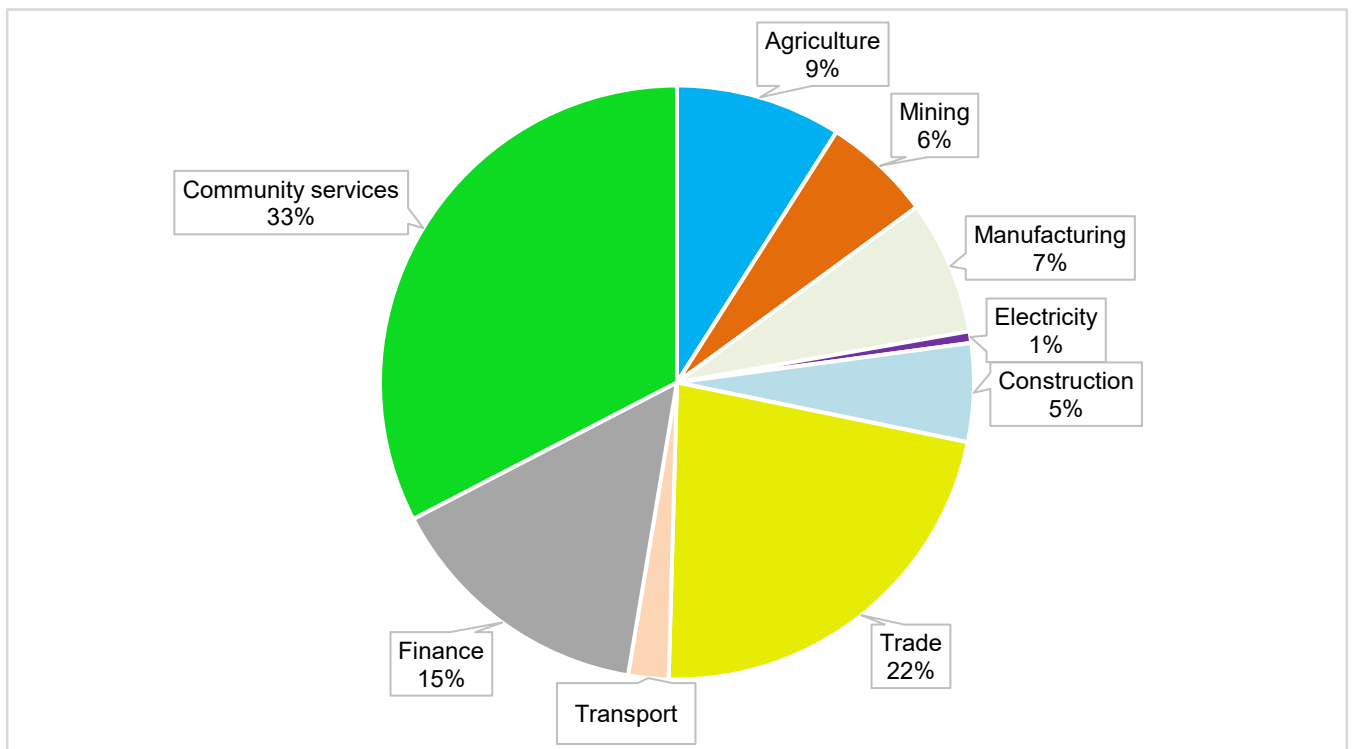
The decline in total employment was experienced in mining which used to be the main employer in the district, contributing only 6% to the overall employment, while the least contributor is Electricity Services at 1%. The combined growth in total tourism (domestic and international using bed nights) between 2011 and 2020 is depicted in Figure 12 (c). The data shows that tourism was declining by an average of 3.5 per annum from 2011 to 2015 and increased sharply to 6.6% in 2016. The highest average tourism achieved was in 2019 (12.1%), influenced mainly by international tourism. The decline of 70.3% in 2020 was due to the onset of the Covid-19 pandemic which restricted both domestic and international travel. Dr KKDM Local Economic Development (“LED”) Strategy identified three priority sectors earmarked for growth and development (Tourism, Agriculture and Manufacturing). The municipalities in the district need to invest more in these priority areas.

Figure 12 (a): Sectoral Contribution to Economic Growth (%): DR KKDM and Locals-2020



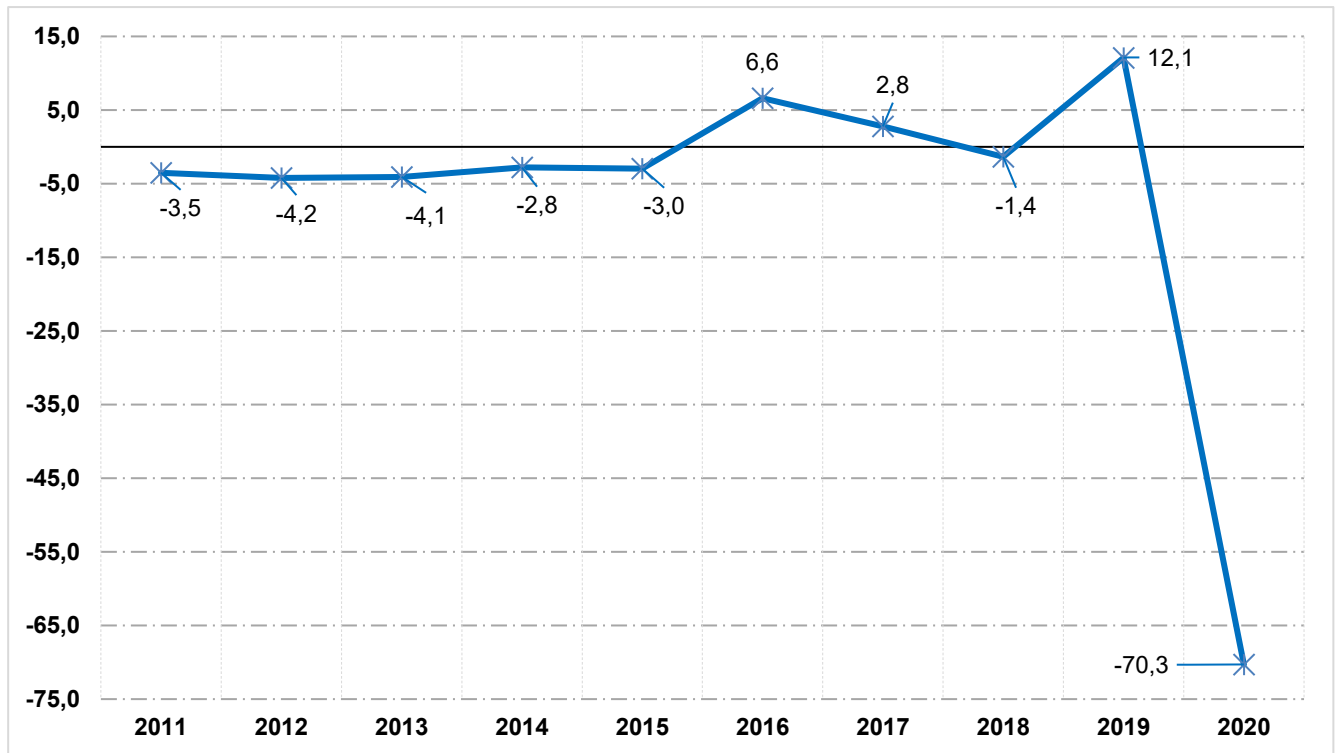
Source: IHS Markit Regional eXplorer

Figure 12 (b): Percentage Sectoral Contribution to Employment: DR KKDM-2020



Source: IHS Markit Regional eXplorer

Figure 12 (c): Growth in Total Tourism (using bed nights) by origin (Percentage): DR KKDM-2011-



2020

Source: IHS Markit Regional eXplorer

### 1.2.3. SERVICE DELIVERY OVERVIEW-HIGHLIGHTS

## COMMUNITY SERVICES HIGHLIGHTS

### 1. OVERVIEW OF THE DEPARTMENT

The Department of Community Services in the Dr Kenneth Kaunda District Municipality (Dr KKDM) is legislatively mandated to provide the following Key Performance Areas (KPA):

- Municipal Health Services;
- Fire and Rescue Services;
- Environmental Management Services; and
- Disaster Risk Management Services.

### 2. SERVICE DELIVERY HIGHLIGHTS PER UNIT

#### 2.1. Municipal Health Services (MHS)

Municipal Health Services (MHS) comprises of those aspects of human health, including quality of life, that are determined by chemical, physical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations as defined by the World Health Organisation (WHO).

##### 2.1.1. Overview – Municipal Health Services (MHS)

The Unit: Municipal Health Services (MHS) has for the period under review executed its Constitutional mandate to promote a *safe, clean and healthy environment through performance of MHS functions as indicated below*. As from the 01<sup>st</sup> July 2022 to 30 June 2023, excellent progress has been registered with regard to the provision of Municipal Health Services to the residents of Dr Kenneth Kaunda District Municipality.

##### 2.1.2. Description of the activities

During the period of review the following activities were executed in terms of the functions of Municipal Health Services:

##### 2.1.2.1. Water Quality Monitoring

Includes:

- Monitoring of water quality/safety used for domestic purposes.
- Monitoring of water quality/safety used for recreational purposes.
- Monitoring of water quality/safety used from natural sources.
- Monitoring of sewage effluent discharged from sewage treatment plants.
- Complaints investigations (law enforcement).

##### 2.1.2.2. Food Control

Includes the:

- Inspection of food preparation premises.
- Monitoring/control of food quality/safety.
- Voluntary condemnation of foodstuffs not fit for human consumption.
- Food safety during special events.
- Training of food handlers, as and when required.

- Complaints investigation (law enforcement and issuing of compliance notices).

#### **2.1.2.3. Waste Management**

Includes the:

- Monitoring of refuse removal, solid waste disposal and waste disposal sites.
- Monitoring of health care risk waste facilities.

#### **2.1.2.4. Health Surveillance of Premises**

Includes the:

- Monitoring and inspection on premises like schools, creches etc.
- Complaints investigation (law enforcement and issuing of compliance notices).

#### **2.1.2.5. Surveillance and Prevention of Communicable Diseases**

Includes the:

- Participation in outbreaks response team.
- Provide health education during an outbreak.

#### **2.1.2.6. Vector Control**

Includes the:

- Conducting inspections and control (fumigation etc) of pests on Council premises.
- Educate business owners on implementation of vector control programmes.

#### **2.1.2.7. Environmental Pollution Control**

Includes the:

- Referral of /environmental pollution complaints to relevant authorities.

#### **2.1.2.8. Disposal of the Dead**

Includes the:

- Monitor and ensure hygienic handling of corpses as per R363
- Conducting Pauper/Indigent burials.
- Conduct exhumations as per R363

#### **2.1.2.9. Chemical Safety**

Includes the:

- Removal of illegal skin lighteners during operations
- Advise, educate and train on pesticide/chemical safety, as and when required

### **2.1.3. Municipal Health Awareness Campaigns**

#### **Municipal health awareness campaigns - Performance highlights**

These are the initiatives and campaigns which were embarked upon in order to educate and capacitate communities on Environmental Health issues. These campaigns included food safety, health and hygiene, waste management, World Food day, World Environment Health Day, water and communicable diseases awareness campaigns.

**The following are some of the municipal health awareness campaigns conducted in 2024/25:**

**2.1.3.1. Maquassi Hills local area**

- World Environmental Health Day commemoration that was conducted on 27 September 2024 at Kgakala Drop Inn centre, Kgakala, Leeudoringstad (Ward 7).
- World food day awareness campaign that conducted for all the NSNS Food handlers within the Maquassi Hills at a Hall in the Department of Public Works in Wolmaransstad, ward 5, Maquassi Hills on the 15<sup>th</sup> November 2024
- The safe water, save lives awareness campaign that was held at Diphetogo Crèche and Re a Leka Multi-Purpose Centre on the 20<sup>th</sup> March 2025 at Tswelelang, Wolmaransstad.
- Vector Borne Diseases awareness campaign that was held at Koketso Primary School on the 21 May 2025

**2.1.3.2. Matlosana local area**

- Hand Hygiene awareness campaign conducted at Boitumelong Day Care Centre in Kanana on the 27 August 2024.
- Outreach programme on Health and Hygiene awareness campaign conducted at Shongololo Pre- School in Orkney on the 27 September 2024.
- Awareness campaign aimed at promoting functions rendered by Municipal Health Services Unit conducted at the Indian Centre in Klerksdorp on the 03 October 2024.
- Communicable diseases prevention awareness conducted at Shoprite Centre in Kanana on the 07 November 2024.
- Outreach programme on health and hygiene conducted at Lesedi Old Age Home in Jakaranda on the 29 January 2025.
- Health and hygiene awareness campaign conducted at Bonolo creche in Jouberton on the 19 March 2025.
- Food Safety awareness campaign conducted for informal food handlers in Khuma on the 14 May 2025.
- Food Safety awareness campaign conducted for NSNP (National School Nutrition Programme) food handlers in Alabama on the 15 May 2025.

**2.1.3.3. JB Marks local area**

- Mandela Day Celebration and Health and Hygiene awareness campaign conducted in JB Marks in Potchefstroom on 18 July 2024
- Meat safety and compliance at MPOWER Abattoir conducted on 23 July 2024.
- Health surveillance of premises conducted in JB Marks in Potchefstroom on 26 September 2024
- Health Surveillance of premises conducted in Ventersdorp on 15,16 and 24 October 2024.
- Hand wash and obesity awareness campaign conducted at Padi Primary school on 07 November 2024.
- Meat safety and compliance campaign of butcheries conducted in Ventersdorp on 20 January 2025.
- Health surveillance of premises conducted in Ventersdorp at Goedgevonden and Rysmierbult on 31 January and 28 February 2025.
- Dr Kenneth Kaunda District Municipality multi sectoral joint inspection conducted on 07 March 2025.
- Inter departmental inspectorate and joint inspections conducted in Potchefstroom and Ventersdorp on 10 and 11 April 2025.
- Health and Hygiene awareness campaign conducted at Kabelo Mashii Secondary school in Ventersdorp on 09 May 2025.
- Environmental health and safety of food vendors conducted at Potchefstroom taxi rank on 21 and 22 May 2025.

- Health and Hygiene awareness campaign conducted at Ikhaya la Bantwana on 28 May 2025.
- World food safety day commemoration conducted in Potchefstroom on 04-06 June 2025.
- Food safety awareness campaign of food handlers conducted at Witrand hospital on 19 and 20 June 2025.

## 2.2. Environmental Management Services (EMS)

Environmental management functions which include: Air Quality, Waste Management, Climate Change, Environmental Planning, Biodiversity, Conservation, Enforcement and Compliance and are mandated by the following legislative framework:

- Constitution of the Republic of South Africa (Act 108 of 1996).
- National Environmental Management Act (Act 107 of 1998).
- NEMA: Biodiversity Act (Act 10 of 2004).
- NEMA: Air Quality Act (Act 39 of 2004).
- NEMA: Protected Areas Act (Act 57 of 2003).
- NEMA: Waste Act (59 of 2008).
- NEMA: EIA Regulations.
- Mineral and Petroleum Development Act (Act 28 of 2002).

*(NEMA - National Environmental Management Act)*

### 2.2.1. Environmental Awareness Campaigns conducted

These are the initiatives and campaigns which were embarked upon in order to educate communities on environmental management issues. The campaigns included, National Water Week Awareness Campaign and Air Quality Awareness campaign.

**The following campaigns were conducted:**

DATE	CAMPAIGN	AREA
Waste Management Education & awareness	Maquassi Hills	5 September 2024
Waste Management Education & Awareness campaign	Kanana	26 September 2024
Abor awareness campaign	Khuma	19 September 2024
Waste Pickers support campaign	Thys recycling centre	27 September 2024
Air Quality Awareness Campaign	Tlokwe Taxi Rank	27 September 2024
School Waste Management Education and awareness campaign	Kanana Secondary School	16 October 2024
Air Quality Awareness Campaign		29 October 2024

Clean-up campaign	Ext 9 Ikageng	02 December 2024
Clean-up campaign	Ward 26 Kanana	06 December 2024
Clean-up campaign	Ward 28 Orkney	23 December 2024
Clean – up; campaign	Tswelelang ward 10	6 March 2025
Clean – up; campaign	Tswelelang ward 4	7 March 2025
Clean – up; campaign	Tswelelang ward 1	5 March 2025
Clean – up; campaign	Tswelelang ward 3	4 March 2025
Clean – up; campaign	Tswelelang ward 2	3 March 2025
Water week campaign		27 March 2025
Air Quality Awareness Campaign	Leeudoringstad	16 May 2025
Recycling centre support campaign	Ext 2, Jouberton	19 June 2025
Tigane landfill site waste pickers support campaign	Tigane	30 June 2025
Taxi Rank Waste Management support campaign	Klerksdorp	27 May 2025
World Environmental Health Day Awareness campaign		27 June 2025

### 2.2.2. The following are Air Pollution Control Activities performed

- *Monitoring stations*  
Department of Economic Development Environment Conservation and Tourism (DEDECT) has three (3) Ambient air quality monitoring stations that are monitored in the District (Kanana, Khuma, Jouberton).
- *Dust Pollution (Mining Operations)*  
Regular inspections.
- *Listed Activities (Industries)*  
Regular inspections
- *Non-Listed Activities (Small Industries)*  
Regular inspections

### 2.2.3. The following are Water Pollution Control inspections were conducted

- *Water pollution sources monitoring*  
Regular inspections at various rivers, streams and other sources and issuing of non-compliance notices to relevant authorities where necessary, for example, spillage of effluent from waste water treatment plants.

### 2.2.4. The following Waste Management inspections were conducted

- *Waste disposal facilities*  
Regular inspections at landfill sites, and recycling centers or buy-back centers.

- *Environmental Impact Assessment (EIA)*  
Providing regular comments on draft scoping reports on EIAs, where necessary.
- *Complaints reported*  
Recording, inspecting, reporting, and responding on relevant environmental management complaints received.

## **2.3. Fire and Rescue Services**

### **2.3.1. Overview of the Fire and Rescue Services**

The Municipal Council has established a Fire Brigade Service as contemplated in terms Section 3 of the Fire Brigade Services Act, 1987, as amended.

The Dr Kenneth Kaunda District Municipality (Dr KKDM) took over Fire and Rescue Services from the Maquassi Hills Local Municipality on the 01<sup>st</sup> July 2016. The transfer was informed by *Notice 195 of 2009*, published in the *Provincial Extraordinary Gazette, No 6648-date 16 June 2009*. The transfer process included, fire personnel, equipment and assets, liabilities, administration, and other records to efficiently provide a 24/7 fire and rescue services in the jurisdiction of the Maquassi Hills local municipal area, that include Wolmaransstad (Tswelelang), Makwassie (Lebaleng), Leeudoringsstad (Kgakala, Witpoort, Rulakganyang, Boskuil and Ossenskraal), and other neighbouring towns (i.e Ottosdal and Bloemhof).

The DrKKDM Maquassi Hills Fire and Rescue Services is based in Woolmaranstaad, operational 24/7 on a four (4) shift system.

The department has made progress with the appointment of five (5) new members (x1 Station Officer – Operations & x4 Control room attendants). The total number of fire services members is standing at thirty - five (35) comprised:

- x1 District Chief Fire Officer
- x1 Station Officer – Operational
- x4 Platoon Commanders – Operational
- x4 Control Room Attendants
- x25 Firefighters – Operational

The fire service is experiencing following challenges which are not limited to:

- Lack of or shortage of water supply for firefighting (Maquassi Hills Municipal jurisdictions)
- Lack of support staff (i.e. Admin, General workers and Fire safety and Prevention specialist)
- Capacity to meet the national development plan objectives in ensuring a safe and secure environment, alignment to IDP
- Noncompliance with National Standards and National Fire Protection regulations / codes (i.e. SANS 10090: Community protection against fire)
- Travel distance – response time between Wolmaransstad and Leeudoringstad
- Rapid increasing risk (change in risk profile)
- Climate change and socio-economic related matters; and

- Inadequate budget, human and physical & operational resources

It is worth noting that, future development can increase an area susceptibility to disasters or any risks (i.e., more urban development attracts rural dwellers – thus informs informal settlements growth).

Fire and Rescue Services need a continuous increasing ability and capacity to provide for protection against fire hazards and related risk.... *"We are faced with new and different challenges annually – risk changes"*.

Our status has improved to 65% compared to previous years, whereby fire services did not reach certain areas. This was further compounded by the fact that the department is overall understaffed and the reality that specialized fleet and units required to mitigate for Maquassi Hills *Fire and Rescue Services jurisdictional risk profile was yet, unattained. "The support and efforts from Municipal Council, Management, National Disaster Management Centre, NW Provincial Disaster Management Centre, together with Matlosana and JB Marks Fire & Rescue Services have not gone unnoticed"*

### **2.3.2. Strategic future improvements to the service**

The Department envisaged strategic plan recognises the need to focus resources on the following key areas over the next five years, which are:

- Enhancing community safety.
- Personnel capacity building / skills and resource development.
- Building and strengthening partnerships with public and private sectors.
- Building emergency management capability.
- Expansion of fire services to other area of jurisdiction (i.e. establishment of sub and satellite stations)
- Alignment of IDP and planning for the future
- Sound revenue enhancement
- To support local fire services through district development model strategy (DDM); and
- Enforcement of Fire Brigade Services Act (Act 99 of 1987), and relevant National Standards

### **2.3.3. Legislative framework**

The following legislation informs the services:

The Unit: Fire and Rescue Services is a basic unit of service delivery, legislated under the Fire Brigade Services Act, (Act, 99 of 1987) which provides for - the establishment, maintenance, employment, coordination, and standardization of fire brigade services and for matters connected therewith.

As cited in the Act, the primary tasks of the emergency services are, or service intended to be employed for:

- Preventing the outbreak or spread of fire.
- Fighting or extinguishing a fire.
- The protection of life or property against a fire or other threatening danger.
- The rescue of life or property from a fire or other danger.
- The performance of any other function connected to the above.

Furthermore, under the Code of Practice referred to in SANS 10090: Community protection against fire, provides guidance and performance criteria for:

- a. Call receipt and processing.
- b. Vehicle / Equipment availability and maintenance.
- c. Incident management procedure.
- d. Pre- planning and risk visits.
- e. Training of personnel.
- f. Water supplies.
- g. Fire safety functions.

Fire and Rescue Services is also informed and mandated by the following legislations:

- *The Constitution of the Republic of South Africa, 1996 - Schedule 4, Part B* clarifies that, firefighting service is a local government function of which there should be a concurrency between province and national for purpose of legislative competencies and support.
- *National Veld and Forest Fire Act (Act 101 of 1998)* - This piece of legislation is crucial for improvement relations with private landowners and Fire Protection Associations (FPAs) to function optimally to manage the risk of veldfire and other related matter (i.e., formation and registration of FPAs, veld fire prevention fire breaks and enforcement).

Other key legislation and regulations that impact on provision of fire and rescue services, not limited to:

- Disaster Management Act (Act 57 of 2002).
- SANS 10400 – The application of National Building Regulation.
- National Building Regulations and Building Standards Act, 1977 (Act No 103 of 1977).
- Occupational Health and Safety Act, 1993 (Act No. 181 of 1993).
- National Environmental Management Act, 1998 (Act No. 107 of 1998).
- National Water Act, 1998 (Act No. 36 of 1998).
- National Health Act, 2003 (Act No. 61 of 2003).
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- Safety at Sports and Recreation Act, 2010 (Act No. 2 of 2010).
- Criminal Procedure Act, 1977 (Act No. 51 of 1977).

### 2.3.4. Operational performance

From July 2024 to June 2025, the Dr KKDM MAQUASSI Hills responded to the following incidents:

#### 2.3.4.1. Fire calls

Fire calls	Overall Achievement
Number of dispatched calls <ul style="list-style-type: none"> <li>• Veld fires: 83</li> <li>• Structural (Informal), Shack fire: 22</li> <li>• Structural (Formal), House fire: 22</li> <li>• Light vehicle fire: 04</li> </ul>	Total dispatched fire calls and fatalities were: <ul style="list-style-type: none"> <li>• Fire calls: x152</li> <li>• Fatalities: 01</li> </ul>

<ul style="list-style-type: none"> <li>• Heavy duty vehicle fire: 0</li> <li>• Bus fire:0</li> <li>• Electrical related (pole):09</li> <li>• Special Services: 12</li> </ul>	
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**2.3.4.2. Motor vehicle and pedestrian accidents**

Motor vehicle and pedestrian accidents	Overall achievement
Number of dispatched calls <ul style="list-style-type: none"> <li>• Motor Vehicle Accidents (MVAs): x92</li> <li>• Pedestrian Vehicle Accident (PVAs): x2</li> </ul>	Total dispatched: <ul style="list-style-type: none"> <li>• MVAs &amp; PVAs calls: x94</li> <li>• Fatalities:13</li> </ul>

**2.3.4.3. Fire safety and prevention performance**

The goal of this sub-unit is to prevent fires from occurring, awareness, education, and law enforcement. The Sub-unit, Fire Safety and Prevention is currently responding to the Key Performance Indicators (KPIs) as per SDBIPs namely, *KPI 67 Spatial Rational Fire Safety Inspections:*

Inspection Record – 2024/2025		
Number of inspections conducted	Overall non-compliant	Overall compliant
63	54	09

**2.3.4.4. Public participation**

Draft district fire services by-laws were adopted by council and went for public participation in August 2024. These by-laws will cater for all fire services within the Dr Kenneth Kaunda District Municipality and will assist with proper enforcement of fire service legislations and other regulations.

**2.3.4.5. Capacity building**

Specialised training was presented on COVID-19 Decontamination in 2020 for all firefighter and after that, the COVID-19 Task Team was established to render services within the Dr KKDM jurisdiction (i.e., MHLM and the HQ in Orkney).

**2.3.4.6. The future of the fire and rescue services**

Our objective as the unit of Public Safety – Fire and Rescue under the leadership and umbrella of the Directorate Community Services is to support, standardise, coordinate, and systematically improve the fire service within the Dr Kenneth Kaunda District Municipality.

The past financial year presented us with numerous challenges and risks. Based on that, the department Public Safety – Fire and Rescue Services will soon focus on a plus plan capabilities (positive organisational change) such as:

- Prevention and Education.

- Attract skilled and adaptable workforce.
- Acquire more emergency response resources.
- Support the government initiative on District Development Model, and
- Continue to improve service delivery (meeting community fire service needs).

## **2.4. Disaster Risk Management Services**

### **2.4.1. Purpose**

Section 50 of the Disaster Management Act 57 of 2002 requires that a Disaster Management Centre of each municipality draw up an annual report. Furthermore, it is required that this report be submitted to Council, the Provincial Disaster Management Centre, National Disaster Management Centre as well as provide a copy of the report to its local municipalities.

This annual report will present all the activities achieved by the Dr Kenneth Kaunda District Municipality's Disaster Risk Management centre during the period July 2022 to June 2023.

### **2.4.2. Legislative framework**

The following legislation guides the service:

- Constitution of the Republic of South Africa, (1996).
- Disaster Risk Management Act, (Act 57 of 2002).
- Fire Brigade Act, (Act 99 of 1987).
- National Road Traffic Act, (Act 93 of 1996).
- South African Police Service Act, (Act 68 of 1995).
- Safety and Sport Recreation Act, (Act 2 of 2010).
- National Land Transport Act, (Act 5 of 2009).
- Batho Pele Principles.
- Criminal Procedure Act, (Act 51 of 1977).
- Regulation of Gatherings Act (Act 205 of 1993)

### **2.4.3. Highlights of the service – period under review**

Below are some of the highlights of the activities conducted throughout the year.

#### **2.4.3.1 KPA 1 - Integrated Institutional Capacity for Disaster Risk Management**

To comply with disaster risk management legislation and facilitate collaboration among stakeholders, the Disaster Risk Management Centre has maintained the effectiveness of the following structures throughout the year:

##### **Interdepartmental Disaster Risk Management Committee**

The Interdepartmental Disaster Management Committee (IDRMC) enables municipal departments to coordinate disaster risk management efforts. It develops plans, implements risk reduction strategies, oversees emergency preparedness, and ensures quick and effective disaster response and recovery.

The IDRMC coordinates accountability for disaster management across departments, integrates risk reduction into municipal development, and underpins the Disaster Management Advisory Forum. The IDRMC meets as part of the Municipal Managers Management Meeting where any relevant to Disaster Management matters are discussed as part of the agenda.

## Disaster Risk Management Advisory Forum

This advisory body enables a municipality and disaster management stakeholders to consult, coordinate actions, and provide input on disaster management matters.

The main aim of the establishment of this forum was to achieve the following:

- Establish a central coordination point for all stakeholders.
- Build disaster risk management knowledge among key participants.
- Promote cooperation between district and local entities.
- Support resource-sharing agreements for funding and emergency services.
- Ensure reporting responsibilities to the municipal council, province, and national authorities on disaster risk issues

### Meetings Conducted

- 27 September 2024
- 05 December 2024
- 26 March 2025
- 25 June 2025

### 2.4.3.2 KPA 2 - Disaster Risk Assessments

To support effective disaster risk reduction, the district conducts Community Based Disaster Risk Assessments in collaboration with local municipalities.

Community Based Disaster Risk Assessment (CBDRA) involves local communities directly in disaster risk management by assessing hazards, vulnerabilities, and capacities. Community members participate throughout planning, implementation, monitoring, and evaluation. Both indigenous knowledge and scientific data inform these assessments and support effective local disaster risk management. During the year, the Disaster Risk Management Section conducted four CBDRAs, actively engaging communities for feedback and input. The assessments took place in:

- 20 - 22 August 2024 Kanana (Extension 10), Matlosana Local Municipality, Ward 26
- 5 - 7 November 2024 Sarafina, JB Marks Local Municipality, Ward
- 1 - 3 April 2025 Extension 9, Ikageng, JB Marks Local Municipality, Ward 12
- 28 - 30 May 2025 Jacaranda (Aganang Trust), Ward 15, City of Matlosana



### 2.4.3.3 KPA 3 - Disaster Risk Reduction and Disaster Risk Management Planning

#### Disaster Management Plans

To meet the requirements of the National Disaster Management Act 57 of 2002 and the 2005 Framework, communities were strengthened to become disaster-resilient and proper management processes were established. District and Local disaster risk management plans were developed to support an effective disaster response.

All plans for the District and Local Municipalities have been completed. The plans for the Local Municipalities have been handed over for implementation and continuous updating by the relevant Departments in each municipality.

The Disaster Risk Management Plan of the District is updated on a continuous basis as communities and the threats facing them evolve.

#### Development of Contingency plans for known risks

Contingency plans are updated annually and new plans are developed as new threats emerge.

#### Disaster Risk Reduction Projects

Winter Awareness Campaigns were held across the District in various communities and broadcast on local radio stations. Led by political principals, these campaigns aimed to reduce wild, house, and shack fires during winter. The campaigns took place in the following areas.

- 29 May 2025 - Jouberton Extension 25, City of Matlosana
- 30 May 2025 - Thabong Preschool in Jouberton, Ward 11 Matlosana
- 18 June 2025 - Hospice Elderly Home in Maquassi Hills



### 2.4.3.4 KPA 4 - Disaster Response and Recovery

The DKKDM falls in the summer rainfall area of South Africa and can experience intense thunderstorms with heavy rain, hail, and lightning. The District experienced two major flooding events during the year under consideration

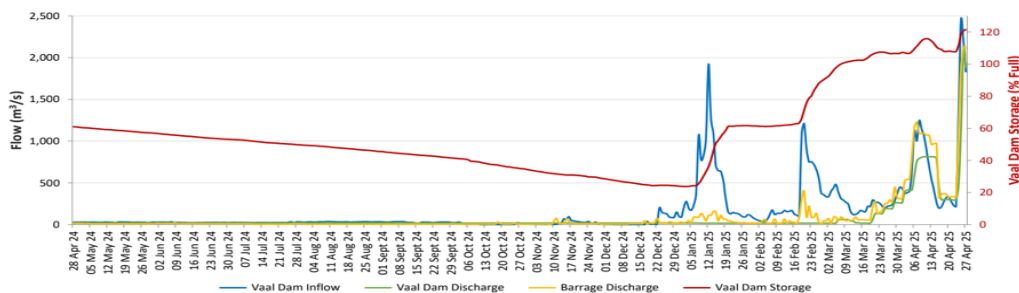
The heavy and persistent rain in the Schoonspruit River and associated dams catchment area during the period from 16 to 19 February 2025 and 1-4 April 2025 quickly filled all the farm dams and the Johan Nesor Dam which resulted in dam walls overflowing. This resulted in river filling quickly and flooding.



The **Vaal River System** also came under pressure due to heavy rain in its catchment area and 10 sluice gates were opened causing extensive flooding along the banks of the Vaal River.

**Vaal Dam and Vaal Barrage Daily Hydrological Information**

**21 - 27 April 2025**



	Monday 21 Apr 2025	Tuesday 22 Apr 2025	Wednesday 23 Apr 2025	Thursday 24 Apr 2025	Friday 25 Apr 2025	Saturday 26 Apr 2025	Sunday 27 Apr 2025	Weekly Max	Weekly Min	Weekly Avg
<b>VAAL DAM</b>										
Inflow (m <sup>3</sup> /s)	277.6	229.7	215.9	1,332.5	2,448.2	2,214.5	1,832.0	2,448.2	215.9	1,221.5
Storage (% Full)	107.95	107.69	107.82	111.64	118.48	120.69	121.53	121.53	107.69	113.69
Discharge (m <sup>3</sup> /s)	299.6	292.9	299.6	461.1	1,113.0	2,116.0	1,881.0	2,116.0	292.9	923.3
Sluice Gates Open (#)	2	2	2	3	6	10	10	10	2	5

	Monday 21 Apr 2025	Tuesday 22 Apr 2025	Wednesday 23 Apr 2025	Thursday 24 Apr 2025	Friday 25 Apr 2025	Saturday 26 Apr 2025	Sunday 27 Apr 2025	Weekly Max	Weekly Min	Weekly Avg
<b>VAAL BARRAGE</b>										
Level (m)	7.5	7.4	7.4	7.6	6.4	6.9	6.0	7.6	6.0	7.0
Discharge (m <sup>3</sup> /s)	335.1	335.1	335.0	1,094.4	1,863.1	2,116.0	2,116.0	2,116.0	335.0	1,170.7
Water Temp (°C)	18.0	19.5	18.0	18.1	15.5	17.4	18.5	19.5	15.5	17.9

### ENABLER 1 - Information Management and Communication

The Disaster Management Act mandates that disaster management centres develop robust information and communication systems. These systems must include the capacity to maintain 24-hour emergency communications for early warning distribution and related activities.

The District Disaster Management Center uses local municipal satellite centers to carry out this function. A system designed to coordinate all communication activities and collect information within the District is currently being developed.

### Enabler 2 - Public Education, Awareness and Research

The Disaster Management Center launched the BESAFE programme to raise public awareness about emergencies, safety, and fire through school visits by district and local officials. This initiative has led to fewer incidents in the district, with 24 interventions conducted for the year under review.



### **Enabler 3 - Disaster Management Funding Arrangements**

The Disaster Management Centre currently relies mainly on its own budget as allocated by the DKKDM to implement Disaster Management in the District.

## **LOCAL ECONOMIC DEVELOPMENT AND PLANNING**

### **1. Introduction**

The Local Economic Development (LED) and Planning Department of the Dr. Kenneth Kaunda District Municipality plays a vital role in steering the district towards sustainable economic growth and infrastructure development.

Through the seamless integration of local economic initiatives with comprehensive infrastructure planning, the department has made substantial progress in job creation, poverty reduction, and enhancing the quality of life for the district's residents. This report highlights the department's key achievements and activities during the 2024/25 financial year, underscoring its unwavering commitment to advancing the socio-economic and infrastructural landscape of the district.

### **Departmental Responsibilities and Overview**

The LED and Planning Department's mandate is broad and impactful, encompassing several critical areas:

- **Local Economic Development (LED):** The department is dedicated to fostering a conducive environment for economic growth, job creation, and poverty alleviation. This is achieved through the support and development of Small, Medium, and Micro Enterprises (SMMEs), the promotion of tourism, and the advancement of sports, arts, and culture.
- **Planning and Infrastructure Development:** The department is responsible for strategically planning and maintaining transport, roads, and other vital infrastructure. This includes implementing rural roads asset management systems and public works programs aimed at improving living conditions across the district.
- **Transport, Roads, and Infrastructure Development:** The department ensures the maintenance and enhancement of the district's road network, improvement of sanitation facilities, and the provision of reliable water supply to rural communities.
- These functions are integral to fostering sustainable development and improving the overall quality of life within the district.

### **1. 1 Rural Roads Asset Management Systems (RRAMS)**

The National Department of Transport (NDoT) has identified forty-four (44) rural district municipalities (among them being Dr Kenneth Kaunda DM) in the country as beneficiaries of their rural roads asset management systems grant in order to assist and support the management of rural roads through the development of RRAMS. Municipalities will thereafter be expected to make budget provisions to sustain this project by:

- Updating RRAMS information every two years; and
- Ensuring human capacity development for the operation of the RRAMS

The scope and purpose of this grant is to assist rural municipalities to setup RRAMS and collect rural data in line with the Road Infrastructure Strategic Framework for South Africa (RIFSA) with the following measurable outputs:

- Collection of road inventory data including condition assessment and traffic data
- Setting up pavement and bridge management system compatible with national standards
- The Dr Kenneth Kaunda District Municipality had been successfully implementing this RRAMS programme from the 2014/2015 financial year to date. This RRAMS data is then revisited annually in line with the prescribed activities for that financial year so as to assess the level of deterioration or improvements effected on the road infrastructure.

## **1.2 Expanded Public Works Programme (EPWP)**

The Cabinet Committee for the Economic Sectors, Employment and Infrastructure Development (ESEID) in its meeting of 28 November 2018 approved the Expanded Public -March 2024. The proposal subsequently served at the Cabinet Meeting of 05 December 2018 that provided additional comments. These comments have been subsequently been included in the reworked proposal.

The objective of the EPWP Phase IV is: "To provide work opportunities and income support to poor and unemployed people through the labour-intensive delivery of public and community assets and services, thereby creating community development."

The Dr Kenneth Kaunda District Municipality has been given a five (5) year target of creating work opportunities using the EPWP framework as follows:

- Infrastructure Sector: 298 job opportunities (Year 1: 54, Year 2: 57, Year 3: 60, Year 4: 63, Year 5: 66)
- Environment & Culture Sector: 427 job opportunities (Year 1: 84, Year 2: 85, Year 3: 85, Year 4: 86, Year 5: 87)
- Social Sector: 46 job opportunities (Year 1: 9; Year 2: 9; Year 3:9; Year 4:9; Year 5:10)

## **2. Overview**

The LED & Planning Department has for the period under review executed these two programmes successfully in line with the condition of the grants as published on the Division of Revenue Act.

## **3. Planning Performance Highlights**

During the period under review the following activities were executed in terms of the functions of the LED and Planning Department;

- KPI 08: 597 700.72 kilometres of paved municipal road network were assessed covering roads Matlosana City Council. A Pavement Management System (PMS) document was developed and shared with Matlosana City Council during the fourth quarter of the 2023-24 financial year. The purpose of the PMS document is to assist the two local municipality in relation to priority roads for maintenance, total estimated cost to maintain those roads as part of their yearly maintenance plan of the existing infrastructure in their localities.
- KPI 09: Number of road structures assessed (Bridges and Culverts). 76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025 (10 bridges and 66 culverts).

- KPI 10: The following rural areas have been targeted for the provision of hydrogeological investigations services within Dr KKDM (i.e. Qalabosha; Mpho Trust; Baitshoki; Oblate Farm; Brakspruit & Rooipoort / Motshabi CPA) before the end of this financial year. This process includes geophysical survey and water sampling, testing and analysis. The remaining processes i.e. drilling; equipping of boreholes and the production of the Geohydrological report on this project including the commissioning thereof will be done during the 2024/25 financial year. This project is specifically aimed at minimizing the provision of water to rural communities through water tankering due to the constant mechanical breakdown of the district's own water truck.
- KPI 23: The Dr Kenneth Kaunda District Municipality has created 338 job opportunities through the Expanded Public Works Programme (EPWP). This was made possible through the municipal's own internal funds as well as the conditional grants received from the Department of Public Works & Roads. The Office of the Speaker also employed 100 Community Based Planners (CBPs) and this brought the total work opportunities created to 421 during the 2023/24 financial year.

PICTURES OF SOME OF THE ASSESSED ROADS IN MATLOSANA THROUGH THE RRAMS PROGRAMME



Block paved road



Double Sealed road

PICTURES OF SOME OF THE COMPLETED DRY SANITATION STRUCTURES AT BOSKUIL AND OERSONSKRAAL VILLAGES



## LOCAL ECONOMIC DEVELOPMENT

### Performance Highlights

This report presents a summary of the key performance highlights of the Local Economic Development (LED) Department for the current financial year. The Department remains committed to driving inclusive economic growth, fostering entrepreneurship, and supporting initiatives that stimulate local economic activity across the DrKKDM. Through strategic partnerships, targeted programmes, and community-focused events, the LED Department has continued to play a pivotal role in enhancing livelihoods, promoting tourism, supporting smallholder farmers, and creating platforms for youth and cultural development. The highlights outlined in this report reflect the Department's ongoing efforts to implement impactful initiatives aligned with the broader goals of sustainable development, job creation, and economic resilience within the DrKKDM.

**Tourism Development:** The Department has taken deliberate steps to partner with key events that form part of the Tourism Calendar for the Dr Kenneth Kaunda District Municipality. These events have evolved into flagship attractions that consistently draw visitors to the District, thereby positioning the region as a destination of choice for social and recreational activities.

In support of Tourism, Arts, and Culture, the Department partnered with Maphotho Holdings to showcase local artistic talent through a vibrant event featuring visual art, handmade accessories, and

a fashion show. Held at the Rio Casino Hotel, the event attracted an audience of over 200 attendees, highlighting the community's appreciation for creative expression.

To further promote the District as a music tourism destination, the Department collaborated with DND Events to host the *Family Jazz Festival* on 1 January 2025, and with Thari Basha to present *Souls Agenda* on 6 October 2025. These events form part of the District's strategic efforts to position itself as a hub for cultural and music tourism.



**Sports, Arts, and Culture:** The department successfully partnered to implement soccer tournament initiatives as below:

The Department partnered with Cashibe Sports Club in JB Marks and Kwas London in Maquassi Hills to implement youth soccer tournaments in their respective areas. These tournaments, sanctioned by the relevant sports federations, served not only as entertainment but also as platforms for promoting community engagement, fostering social cohesion, and nurturing local sports talent. Each event attracted over 300 spectators, highlighting strong community interest and participation.



**KHASHIBE SOCCER TOURNAMENT**



### KWAS LONDON SOCCER TOURNAMENT

**Agricultural and Produce Market-** During the current financial year, the Department implemented a series of Farmers' Day programmes across all Local Municipalities. One of the key events was themed "Access to the Market", which proved to be an eye-opener for Smallholder Farmers, highlighting opportunities for improved market participation. Additional Farmers' Days were successfully held in Maquassi at Doringpan Farm, and in JB Marks Municipality at Matlwang Village. The Department also continued its active involvement in the NAMPO Agricultural Trade Show by supporting local Smallholder Farmers to attend this premier annual event. Held on 11 June 2024, the trip included a total of 90 participants. The show featured interactive demonstrations of agricultural machinery and equipment across 80 hectares of cultivated land. This hands-on exposure allowed farmers to assess tools and technologies under real working conditions, setting NAMPO apart from other agricultural exhibitions and providing a valuable learning experience for attendees.



# NAMPO AGRICULTURAL TRADESHOW

11 JUNE 2025



---THREE FARMERS DAYS---

MATLOSANA LM

MAQUASSI HILLS LM

JB MARKS LM

25 MARCH 2025

15 APRIL 2025

15 MAY 2025

## Conclusion

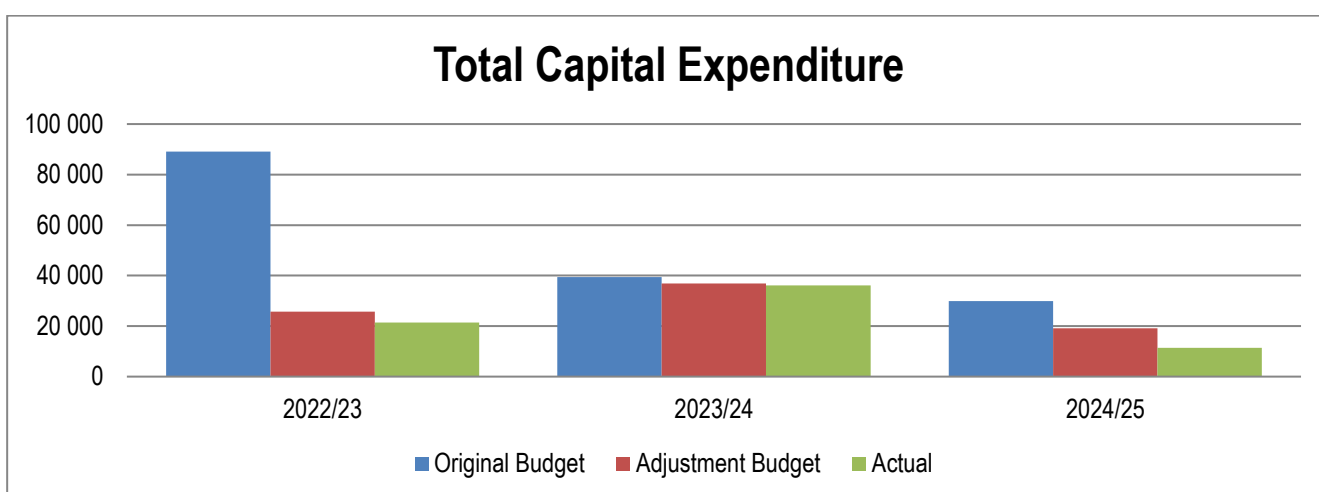
The Department has successfully implemented and partnered with key initiatives, as outlined in the highlights above. Our continued support for Smallholder Farmers plays a vital role in promoting food security and stimulating the local economy through increased trade opportunities. Events supported by the Department of Local Economic Development and Tourism have significantly boosted domestic tourism. This, in turn, uplifts the District economy through increased spending at local outlets, retailers, fuel stations, and accommodation establishments. Sector-specific initiatives such as Sports Tourism and Agri-Tourism are integral to our Local Economic Development strategy. When effectively implemented, these sectors offer strong potential to drive economic growth and community upliftment.

#### 1.2.4. FINANCIAL HEALTH OVERVIEW

Financial Overview: 2024/25				
				R' 000
Details	Original budget	Adjustment Budget	2 <sup>nd</sup> Adjustment Budget	Actual
<b>Income:</b>				
Grants	231 022	231 022	230 692	228 286
Taxes, Levies and tariffs	-	-		
Other	10 150	10 460	11 395	7 119
Sub Total	241 172	241 482	242 087	235 405
Less: Expenditure	240 959	247 127	248 724	235 838
Net Total*	213	(5 645)	(6 637)	(433)

Operating Ratios: 2024/25	
Detail	%
Employee Cost	61.12
Repairs & Maintenance	0.87
Finance Charges & Impairment	-

Total Capital Expenditure: 2023/24 to 2024/25			
Detail	2022/23	2023/24	2024/25
Original Budget	89 156	39 450	29 950
Adjustment Budget	25 708	36 850	19 160
2 <sup>nd</sup> Adjustment		29 059	11 510
Actual	21 391	36 162	11 351



### 1.3. AUDITOR GENERAL'S REPORT SUMMARY

The Dr Kenneth Kaunda District Municipality received an Unqualified audit opinion for the 2024/25 Financial Year.

### 1.4. ANNUAL REPORT PROCESSES

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July 2025
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for 2023/24 (previous financial year)	
4	Submit draft 2022/23 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August 2025
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September– October 2025
12	Municipalities receive and start to address the Auditor General's comments	November to December 2024
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January to April 2026
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	March 2026
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	

## 2. CHAPTER 2: GOVERNANCE

### 2.1. COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

#### 2.1.1. Political Governance

MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

#### Political Leadership

The following is the political leadership of the Dr Kenneth Kaunda DM:

PORTFOLIO	LEADER
Executive Mayor	Cllr N.J Num
Speaker	Cllr. X.C Nxozana
Single Whip	Cllr. S.J Lesie
MMC Corporate Services & ICT Department	Cllr. L.V Itebogeng
MMC Community Services Department	Cllr. T. Lekgari
MMC Technical Services	Cllr. Z.E Mphafudi
MMC Budget and Treasury Office	Cllr. L.G Molapisi
MMC Local Economic Development and Tourism	Cllr. T.R Mampe
MMC Special Programs	Cllr. D.M Matsapola

#### 2.1.2. Administrative Governance

##### Introduction to Administrative Governance

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

#### Administrative Leadership

The following senior management positions are on the basis of fixed-term performance-based contracts and presently the status is as indicated: **(Status as at end June 2025)**

POSITION	NAME
Municipal Manager	M.J Ratlhogo
Senior Manager: Corporate Support Services & ICT (acting)	O. Baloyi
Chief Financial Officer (acting)	J. Brown
Senior Manager: Community Services (acting)	A.K.T Sothoane
Senior Manager: LED and Planning	T.M Rampedi
Chief Audit Executive	S.G Mtemekwana

The following managers' report administratively to the Municipal Manager;

POSITION	NAME
Chief of Staff (acting)	X. Mndaweni
Manager: Office of the Speaker	F. Canga
Manager: Single Whip	M. Matsose
Manager: MPAC (acting)	M. Taunyane
Manager: Strategic and Integrated Development Planning	T. Mokatsane
Manager: Performance Management Systems	O. Baloyi
Chief Risk Officer	L. Motepe
Manager: Municipal Information Security Standards	N.N Fihla
Manager: Communications	X. Mndaweni

## 2.2. COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.2.1. Intergovernmental Relations

MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41. The District participates in Provincial Government Information and Technology Office Council (PGITO) as full members every month. The Office of the Premier and the Department of Local Government and Human Settlement also participates in the Dr Kenneth Kaunda District ICT Forum as members.

The District also participates at the Provincial and District Back to Basics reporting forums. The Provincial and District Back to Basics reporting forums are coordinated by the Provincial Department of Cooperative Governance and Traditional Affairs (COGTA). The forum is constituted by COGTA, District Municipality, Local Municipalities, SALGA and other sector departments.

The Office of the Speaker has also established the Stakeholders Forum and the Speakers Forum as one of the IGR structures. The purpose of these structures is to ensure that there is uniformity and that information from higher structures are cascaded to lower levels within the district.

For both the forums, the office has the following meetings as indicated below:

Name of municipality	Date of visit	Venue	Time
City of Matlosana	31 August 2023	Anti-Corruption Roadshow	10:00
JB Marks	20 October 2023	Presidential Imbizo	10:00
City of Matlosana	03 November 2023	Accelerated Service Delivery Program: Thuntsa Lerole	10:00
City of MATlosana	24 November 2023	Accelerated Service Delivery Program: Thuntsa Lerole	10:00
JB Marks	26 November 2023	Older Persons Amendment Bill Public Hearing	10:00
City of Matlosana	06 December 2023	Speaker Do Something Service Delivery event, Jakaranda	10:00
City of Matlosana	07 December 2023	Speaker Do Something Service Delivery event, Kanana	10:00
City of Matlosana	17 January 2024	Gaenthone Secondary School	07:30
City of Matlosana	17 January 2024	Kabelano Primary School	09:00
City of Matlosana	17 January 2024	Tigane Secondary School	11:00
Maquassi Hills	29 February 2024	Service Delivery Outreach Main Event	11:00
JB Marks	15 March 2024	Accelerated Service Delivery Program/ Speaker Do Something event, Ventersdorp	10:00

Maquassi Hills	26 March 2024	Human Rights Day Celebration, Kgakala	10:00
City of Matlosana	16 April 2024	Drug Awareness Campaign, Tigane	10:00
Maquassi Hills	23 April 2024	Voter Education Program	10:00
JB Marks	26 April 2024	Thuntsa Lerole Program	09:00
JB Marks	29 April 2024	Voter Education Program	10:00
City of Matlosana	30 April 2024	Voter Education Program	10:00
City of Matlosana	04 May 2024	Office of the Single Whip Debates, Milner High School	08:30
City of Matlosana	13 June 2024	Service Delivery Outreach Event	10:00
City of Matlosana	15 June 2024	Speaker Do Something Youth Month event	10:00

When Parliament of the Republic of South Africa wants to introduce a bill for public participation, the office will coordinate communities and structures to participate in the process of policy making. The office will ensure that all relevant stakeholders take part in the proceedings of public participation. The Parliamentary Portfolio Committee responsible for that specific bill will engage the office in the plenary session.

### **2.2.2. National Intergovernmental Structures**

The Dr Kenneth Kaunda District Municipality participates in the District Development Model which encompasses all sector departments and other entities of government, both at the provincial and national levels.

The benefit is to eliminate silo planning and ensure the development of the district one plan. Assist in the implementation of the national and provincial programmes at the District level.

The benefit is to ensure the implementation of local economic development projects that benefits local SMMEs.

### **2.2.3. Provincial Intergovernmental Structures**

The District represents the three (3) Local Municipalities on the following committees:

- NW Provincial PGITO Council
- The NW Broadband Steering Committee
- The NW Security Sub Committee
- The NW System and Development Sub Committee

The Value of the Provincial Intergovernmental Structures assists in resolutions of potential areas of strategic interest between the Province and the District.

The structure identifies potential operational risks and mitigates these on time. The Province has been able to develop a Broadband Strategy that is now been implemented with the participation of the District Municipality.

### **2.2.4. District Intergovernmental Structures**

The Dr Kenneth Kaunda District through the DDM and IDP processes, held the below meetings;

DATE	ACTIVITY
<b>IDP</b>	
14 November 2024	IDP Coordinating Committee Meeting
26 November 2024 12 February 2025	Extended Technical IGR Forum Meeting
15 May 2025	IDP Representative Forum Meeting

## **2.3. COMPONENT C: PUBLIC ACCOUNTABILITY AND GOVERNANCE**

### **OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION**

MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

### **COMMUNICATION, PARTICIPATION AND FORUMS**

#### ***2.3.1. Office of the Speaker***

The Local Government Municipal Systems Act, 2000 has participation as a central concept of Integrated Development Planning. Chapter 4 of the MSA outlines processes, mechanisms and procedures for community participation. For example, section 16(1) states that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance' including report-back to the local community. Therefore, the District Municipality introduced the Community Based Planning System since 2007 to create a culture of participatory democracy. Community Based Planners were recruited in Local Municipalities within the District.

There are forums established to assist sectors departments in addressing service delivery issues that affect the communities at large. We have the Stakeholders Forum which is chaired by the Office of the Speaker and coordinated by the Department of Home Affairs. Once again there is a Forum which involves the Speakers within the district, named the District Speakers Forum. This forum is established for ensuring that there is common interest on issues of public participation.

Furthermore, the office has launched the program called "Speakers Do Something", which program is aimed at enhancing delivery of services to the community. This program will look at the work of the Community Based Planners and analyse the issues raised from the report submitted by the Community Based Planners on their monthly door to door activities. From that report an event will be coordinated and sector departments will be coordinated to take services to the area that will be identified after an analysis has been made.

#### ***2.3.2. Municipal Public Accounts Committee (MPAC)***

The Municipal Public Accounts Committee of the Municipality fulfils their oversight role envisaged in Section 129 of the MFMA and Circular number 32 of the MFMA by advising Council. The mandate of the Municipal Public Accounts Committee includes an analysis of the institution's Annual Report and the development of appropriate recommendations to Council.

The Municipal Public Accounts Committee values the interdependence and interrelatedness on other external and internal committees of council and community participation in the oversight process. In this regard initiatives were made to advertisement of Local Newspapers and Public Notice at Government buildings to alert the community of the Oversight process to be undertaken on the Annual Report.

### 2.3.3. MPAC Preparation of the Oversight Report

Date	Time	Venue	Item of discussion and activities	Required presence (apart from MPAC)	Relevant legislation
04 February 2025	10:00 14:00	Aganang and Star FM Radio Station	<p><b>Radio interviews and Public invites</b></p> <ol style="list-style-type: none"> <li>To invite the public to make representations on the AR</li> <li>Release a media statement</li> </ol> <p>Release a public notice of all the MPAC meetings where the Annual Report will be discussed</p>	Public Meeting	<ol style="list-style-type: none"> <li>MFMA (130 (2))</li> <li>MFMA (s 129 (2))</li> </ol> <p>Municipal Systems Act s21</p>
06 Feb. 2025	10:00	Disaster Man. Centre, Klerksdorp	<p><b>MPAC Oversight on the Annual Report Process</b></p> <ol style="list-style-type: none"> <li>Review the Annual Report and 1st draft of the oversight report on the Annual report</li> <li>Selection of sites to be inspected</li> <li>Write letters of invitation to the executive and management for interviews and site inspection</li> </ol> <p>Approve the Questionnaire on public participation and publicise</p>	Public Meeting	MFMA (130) MFMA (129 (2))
11 Feb. 2025	09h00	Council Chamber	<p><b>MPAC Oversight on the Annual Report Process</b></p> <ol style="list-style-type: none"> <li>AG MPAC audit outcome briefing meeting</li> <li>Include AG comments in the Oversight Report</li> </ol>	<ol style="list-style-type: none"> <li>AGSA,</li> <li>SALGA,</li> <li>COGTA and</li> <li>TROIKA</li> <li>MMCs</li> <li>Public Meeting</li> <li>PPAC chairperson</li> <li>Chairperson of COGTA</li> </ol>	<ol style="list-style-type: none"> <li>MFMA MFMA section (129 (131))</li> </ol>
13 and 14 Feb. 2025	09h00	All local municipalities	<p><b>MPAC Oversight on the Annual Report Process</b></p> <ol style="list-style-type: none"> <li>Project visits</li> </ol>	<ol style="list-style-type: none"> <li>Officials from relevant depts</li> <li>Public Meeting</li> </ol>	Municipal Systems Act Section (21)
17 Feb. 2025	11:00	MPAC Support staff and relevant administrative units	<p><b>Public participation in plenary meetings</b></p> <ol style="list-style-type: none"> <li>Approve and commit to the different roles of all internal stakeholders during the public meeting</li> </ol>	<ol style="list-style-type: none"> <li>MPAC Support staff and relevant administrative units</li> </ol>	
17, 18, and 19 Feb. 2025	15:00	All local municipalities	<p><b>MPAC Oversight on the Annual Report Process</b></p> <ol style="list-style-type: none"> <li>Oversight build-up programs</li> </ol>	<ol style="list-style-type: none"> <li>Ward committees,</li> <li>CDW,</li> <li>Ward Councillor of the area visited</li> </ol>	MFMA Section (129 – 130)

			<ol style="list-style-type: none"> <li>2. Distribution of questionnaires</li> <li>3. Consider public inputs on the AR interviews with MM &amp; Senior Managers</li> </ol>	4. Public Meeting	Municipal Systems Act chapter 4
25 Feb. 2025	09:00	Disaster Man. Centre boardroom, Klerksdorp	<p><b>MPAC Oversight on the Annual Report Process</b></p> <ol style="list-style-type: none"> <li>1. Review the Annual Report and write management questions</li> <li>2. Compilation of the Oversight Report for both the District and the Agency</li> <li>3. MFMA financial compliance reports</li> <li>4. Write letters of invitation to management for interviews</li> </ol>	1. Public Meeting	MFMA section 130(1)(2)
04 March 2025	10:00	Disaster Man. Centre boardroom, Klerksdorp	<p><b>MPAC Meeting Oversight on the AR</b></p> <ol style="list-style-type: none"> <li>1. Consider management responses before the interviews.</li> <li>2. Compilation of the Oversight Report for both the District and the Agency</li> </ol>	1. Public meeting	Municipal Systems Act Section (21) & MFMA
07 March 2025	15:00	City of Matlosana Local Municipality (All wards in one meeting)	<p><b>Public Meeting</b></p> <ol style="list-style-type: none"> <li>1. Public Participation on the Annual Report</li> <li>2. Distribution of questionnaires</li> </ol>	<ol style="list-style-type: none"> <li>1. Ward committees,</li> <li>2. CDW/CBP</li> <li>3. Ward councillor of the area visited</li> <li>4. Public Meeting</li> <li>5. Executive and all MMCs</li> <li>6. Troika</li> <li>7. Management</li> <li>8. AGSA</li> <li>9. SALGA</li> <li>10. COGTA</li> </ol>	Municipal Systems Act Chapter 4
11 March 2025	10:00	Disaster man centre boardroom	<ol style="list-style-type: none"> <li>1. Interviews with Political heads and Management</li> <li>2. Closing date for the questionnaires</li> </ol>	<ol style="list-style-type: none"> <li>1. Executive and all MMCs,</li> <li>2. Speaker,</li> <li>3. Whip,</li> <li>4. Management</li> <li>5. Public meeting</li> </ol>	MFMA Section 130 (2)
12 March 2025	8:00	Whips Boardroom	Capturing of all questionnaires	<ol style="list-style-type: none"> <li>1. CBPs</li> <li>2. Office of the speaker</li> </ol>	
13 and 14 March 2025	10:00	Disaster Man. Centre board, Klerksdorp	<p>MPAC meeting</p> <ol style="list-style-type: none"> <li>1. Investigatory Report: Irregular, Fruitless and Wasteful expenditure report finalization</li> </ol>	meeting closed for the public	MFMA Section 32 and Section 129

			<ol style="list-style-type: none"> <li>2. Compile and review draft oversight report on the AR for both the District and the Agency</li> <li>3. Committee adopts the Oversight Reports which will be tabled in Council</li> </ol>		
27 March 2024	10:00	Disaster Centre Boardroom	<p>Council Meeting</p> <ol style="list-style-type: none"> <li>1. Adoption of oversight reports with comments and approval of the Annual Report by the Council</li> </ol>	<p>Council meeting</p> <ol style="list-style-type: none"> <li>1. All Councillors</li> <li>2. Speaker</li> <li>3. Single Whip</li> <li>4. Executive;</li> <li>5. Management;</li> <li>6. SALGA</li> <li>7. COGTA</li> <li>8. AGSA;</li> <li>9. Public from local municipalities</li> </ol>	MFMA Section 129 (1) MFMA section 131(1)

### 2.3.4. Public Meetings

Dr Kenneth Kaunda District Speaker's Office invited the public to the Integrated Public Participation, ID Campaign and Anti-Corruption Ethical Leadership Initiative events.

The main aim of this events was to bring services to the people and to improve participation of communities in local government affairs, and to also remind community members of various channels to be followed in order to fight crime and corruption.

The events were held as per the below dates:

Name of municipality	Date of visit	Venue	Time
JB Marks	01 August 2025	Phase 04 Accelerated Service Delivery Thuntsha Lerole	10:00
Maquassi-Hills	22 August 2024	Community Engagement on By-laws	10:00
City of Matlosana	23 August 2024	Community Engagement on By-laws	10:00
JB Marks	26 August 2024	Community Engagement on By-laws	10:00
City of Matlosana	30 September 2025	Speaker Do Something Event	10:00
City of Matlosana	03 October 2024	National Reading Collective's Literacy Month Campaign	10:00
JB Marks	04 October 2024	Phase 04 Accelerated Service Delivery Thuntsha Lerole	10:00
City of Matlosana	23 January 2025	Matric Excellence Awards	09:00
City of Matlosana	05 March 2025	MPAC Annual Report	14:00
JB Marks	26 March 2025	Speaker Do Something Cleaning Campaign	10:00
Maquassi-Hills	27 March 2025	Speaker Do Something Cleaning Campaign	10:00
City of Matlosana	02 April 2025	Speaker Do Something Cleaning Campaign	10:00
City of Matlosana	12 April 2025	ID Campaign	08:00
JB Marks	30 May 2025	Speaker Do Something Cleaning Campaign	09:00
City of Matlosana	20 June 2025	South African Police Union Youth Day Event	11:00

### 2.3.5. IDP Processes, Public Participation and Alignment

Section 28 of the Local Government: Municipal Systems Act states that “Each Municipal Council within a prescribed period after the start of its elected term must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.

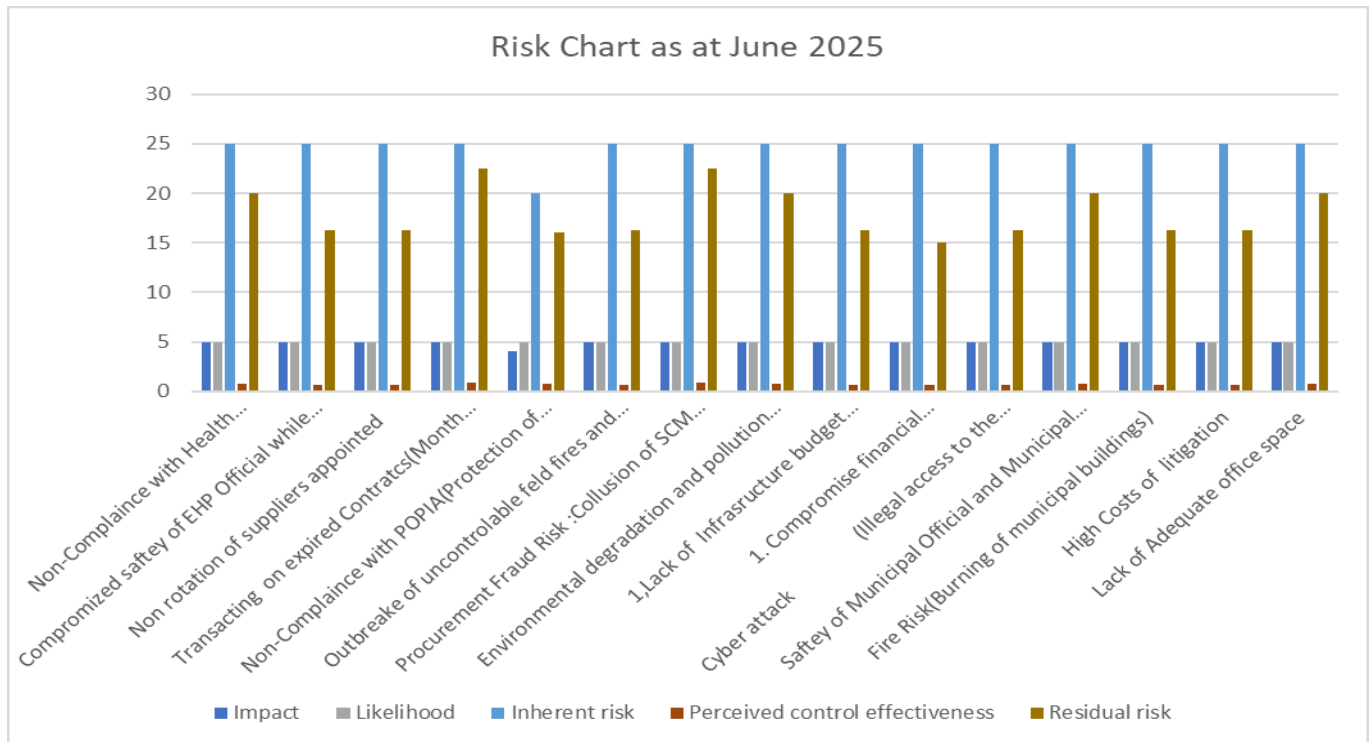
<b>IDP Participation and Alignment Criteria*</b>
Does the municipality have impact, outcome, input, output indicators?
Does the IDP have priorities, objectives, KPIs, development strategies?
Does the IDP have multi-year targets?
Are the above aligned and can they calculate into a score?
Does the budget align directly to the KPIs in the strategic plan?
Do the IDP KPIs align to the section 57 Managers
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?
Were the indicators communicated to the public?
Were the four quarter aligned reports submitted within stipulated time frames?

## 2.4. COMPONENT D: CORPORATE GOVERNANCE

### 2.4.1. Risk Management

Risk management remains an ongoing process and an important factor in change management in Dr Kenneth Kaunda District Municipality. Also, best practices are being formulated and evaluated within the field of risk management on a provincial level on a continuous basis. Strategic risk register for 2024/25 was finalized and submitted to Audit Committee on the 1<sup>st</sup> Quarter, Risk Management policy and risk management strategy was also reviewed and adopted by Council, on the third quarter. The newly amended Public Audit Act will ensure that Risk Management takes on a bigger role in the municipality, especially with regards to consequence management and the overall performance of the municipality.

## 2024/25 DrKKDM Strategic Risk Chart



### 2.4.2. Anti-Corruption and Fraud

Section 83(c) of the Municipal Systems Act (MSA) refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), Section 112(1) (m) (i) identifies supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) (b) of the MFMA further states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system, to minimize the likelihood of corruption and fraud. Adopted risk management policy incorporate Fraud and Anti-Corruption strategy, however management is of the view to separate the strategy from risk management policy to be stand-alone strategy, processes are at advanced stage to separate the two and develop Whistleblowing policy that will incorporate fraud and Anti-Corruption strategy.

### 2.4.3. Supply Chain Management

The municipality has a fully functional Supply Chain Management Unit. The Supply Chain Management Policy of Dr Kenneth Kaunda District Municipality is deemed to be fair, transparent, and competitive as required and complies with Section 112 of the MFMA as well as the Supply Chain Management Regulation. The Bid committees were appointed, and efforts were made to capacitate, the Bid Committee and the personnel in the Supply Chain Management Unit. Capacity building was funded and coordinated by the Provincial Treasury, a gesture that added much value and is appreciated.

#### 2.4.4. By-Laws

BY-LAWS					
Newly Developed	Revised	Public Participation conducted prior to adoption of By-laws (YES/NO)	Dates of public participation	By-Law Gazetted (YES/NO)	Date of publication
Existing bylaw: Municipal Health By-law, Noise Control By-law and Air Quality Management By-law. No new by-laws were developed in 2016/17 financial year.	None	Yes (for existing bylaws)	16-19 August 2011	Yes	29/06/2012

#### 2.4.5. Websites

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	No
The previous annual report (2024/25)	Yes
The annual report (2023/24) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2024/25) and resulting scorecards	Yes
All service delivery agreements (2024/25)	Yes
All long-term borrowing contracts (2024/25)	N/A
All supply chain management contracts above a prescribed value (give value) for 2024/25	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2024/25	No
Contracts agreed in 2024/25 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A
All quarterly reports tabled in the council in terms of section 52 (d) during 2024/25	Yes

### **3. CHAPTER 3: SERVICE DELIVERY PERFORMANCE**

Dr Kenneth Kaunda District Municipality Annual Performance Report is compiled in terms of Section 46 of Municipal Systems Act No. 32 of 2000 which states that:

- (1) A municipality must prepare for each financial year a performance report reflecting:
  - a. The performance of the municipality and of each external service provider during that financial year;
  - b. A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
  - c. Measure taken to improve performance
  
- (2) An annual performance report must form part of the municipality's annual report in terms of chapter 12 of the Municipal Finance Management Act.

The following are the Key Performance Areas (KPA) for the year under review:

KPA 1: Basic Service Delivery and Infrastructure Development

KPA 2: Municipal Transformation and Organizational Development

KPA 3: District Economic Development

KPA 4: Municipal Financial Viability and Management

KPA 5: Good Governance & Public Participation

KPA 6: Spatial Rationale

# **KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

### 3.1. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

#### 3.1.1 KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Community Services	To provide environmental health services	Municipal Health Service	20 environmental campaigns	20 environmental campaigns	Nil	<b>KPI 1</b>  Number of municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District  <b>COM SER</b>	Activity	20 municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2024	<b>ACHIEVED</b>	20 municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2025	R 658 000	<b>ACHIEVED</b>  20 municipal health services awareness campaigns conducted within Dr. Kenneth Kaunda District by 30 June 2025	None	None	Municipal Health awareness campaign reports with pictures	
								R 456 000	PO10132/IE00462/FD10003/FX10010/RX10001/CO1000/3905							
								R 202 000	PO10132/IE00485/FD10003/FX10010/RX10001/CO1000/3905							
Community Services	To provide environmental health services	Environmental Management Services	20 environmental management campaigns	20 environmental management campaigns	Nil	<b>KPI 2</b>  Number of environmental management campaigns conducted  <b>COM SER</b>	Outcome	20 environmental management campaigns conducted within Dr Kenneth Kaunda District Municipality by 30 June 2024	<b>ACHIEVED</b>	20 environmental management campaigns conducted within Dr Kenneth Kaunda District Municipality by 30 June 2025	R 658 000 (Shared Vote)	<b>ACHIEVED</b>  21 environmental management campaigns conducted within Dr Kenneth Kaunda District Municipality by 30 June 2025	Total number of campaigns exceeded due to a request for a cleaning campaign	None	Environmental awareness management reports	
								R 456 000	PO10132/IE00462/FD10003/FX10010/RX10001/CO1000/3905							
								R 202 000	PO10132/IE00485/FD10003/FX10010/RX10001/CO1000/3905							

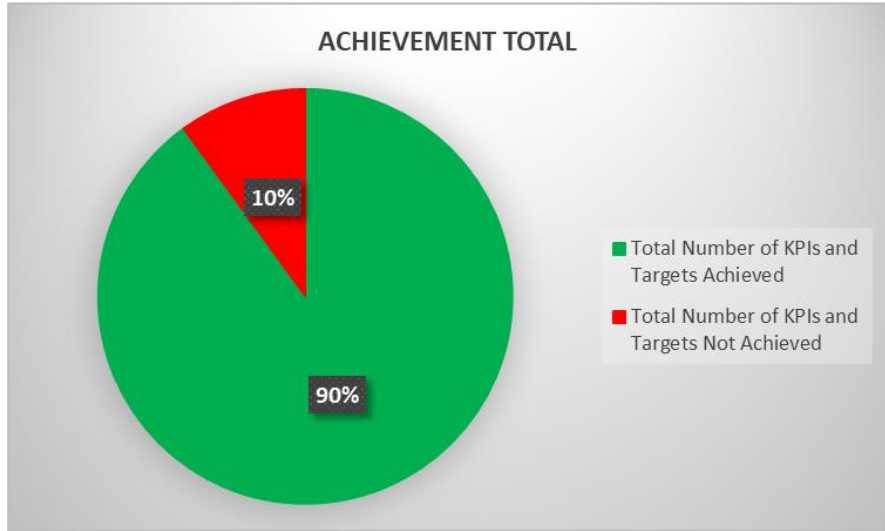
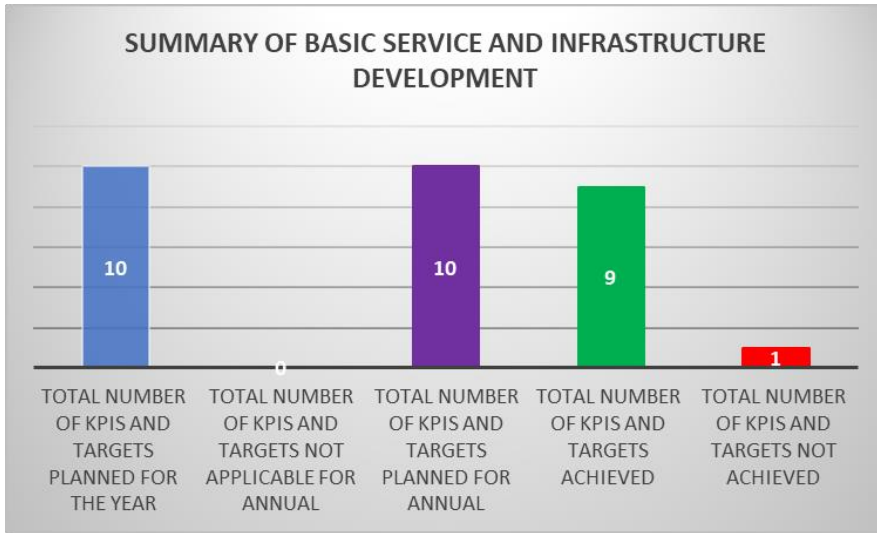
THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Community Services Circular 88	To provide environmental health services	Municipal Health Service	12 compliance reports on drinking water samples taken and tested	12 compliance reports on drinking water samples taken and tested	Nil	<b>KPI 3</b>  Number of compliance reports on drinking water samples taken and tested from JB Marks, Matosana, and Maquassi Hills Local Municipalities  <b>COM SER</b>	Output	12 compliance reports on drinking water samples taken and tested from JB Marks, Matosana and Maquassi Hills Local Municipalities by 30 June 2024	<b>ACHIEVED</b>  12 compliance reports on drinking water samples taken and tested from JB Marks, Matosana and Maquassi Hills Local Municipalities submitted by 30 June 2024	12 compliance reports on drinking water samples taken and tested from JB Marks, Matosana and Maquassi Hills Local Municipalities by 30 June 2025	R 700 000  Shared Vote	PO10135/IE00019/FD10003/FX10010/RX10001/CO10000/3905	<b>ACHIEVED</b>  12 compliance reports on drinking water samples taken and tested from JB Marks, Matosana and Maquassi Hills Local Municipalities by 30 June 2025	None	None	Compliance reports, Sampling points list, Sample analysis results
Community Services Circular 88	To provide environmental health services	Municipal Health Service	52 water samples taken tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality	52 water samples taken tested at the reservoirs	Nil	<b>KPI 4</b>  Number of water samples taken and tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality  <b>COM SER</b>	Output	52 water samples taken tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality by 30 June 2024	<b>ACHIEVED</b>  56 water samples taken tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality by 30 June 2024	52 water samples taken tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality by 30 June 2025	R 700 000  Shared Vote	PO10135/IE00019/FD10003/FX10010/RX10001/CO10000/3905	<b>ACHIEVED</b>  53 water samples taken tested at the reservoirs in JB Marks, Matosana and Maquassi Hills Local Municipality by 30 June 2025	The target is exceeded because the area Environmental Health Practitioner had to take an extra sample for control as the area did not have water supply for some time.	None	Sampling point list, sample analysis results

THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Community Services	To provide Environmental Management Services	Environmental Management Services	120 waste inspections	120 waste inspections activities conducted	Nil	<b>KPI 5</b> Number of waste management inspections conducted <b>COM SER</b>	Outcome	120 waste management inspections conducted within Dr Kenneth Kaunda District Municipality by 30 June 2024	<b>ACHIEVED</b> 164 waste management inspections conducted within Dr Kenneth Kaunda District Municipality by 30 June 2024	120 waste management inspections conducted within Dr Kenneth Kaunda District Municipality by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 146 waste management inspections conducted within Dr Kenneth Kaunda District Municipality by 30 June 2025	The target was exceeded due to a total number of complaints received	None	Waste inspection activities reports
Community Services	To provide environmental health services	Environmental Management Services	80 activities on Air Quality Management	80 activities on Air Quality Management	Nil	<b>KPI 6</b> Number of Air Quality Management inspections conducted within Dr. Kenneth Kaunda District <b>COM SER</b>	Activity	80 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2024	<b>ACHIEVED</b> 124 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2024	80 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2025	R 26 000	PO10131/IE00042/FD10003/FX10010/RX10001/CO10000/3905	<b>ACHIEVED</b> 84 Air Quality Management inspections conducted within Dr. Kenneth Kaunda District by 30 June 2025	Over achievement was due to follow up inspections.	None	Air Quality Inspection Reports

THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Community Services	To provide environmental health services	Environmental Management Services	6 Compliance reports on Food Control	6 Compliance reports on Food Control	Nil	<b>KPI 7</b> Number of compliance reports on food control taken from JB Marks, Matlosana, and Maquassi Hills Local Municipalities <b>COM SER</b>	Output	6 compliance reports on food control taken from JB Marks, Matlosana, and Maquassi Hills Local Municipalities by 30 June 2024	<b>ACHIEVED</b> 6 compliance reports on food control taken from JB Marks, Matlosana, and Maquassi Hills Local Municipalities by 30 June 2024	12 compliance reports on food control taken from JB Marks, Matlosana, and Maquassi Hills Local Municipalities by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 12 compliance reports on food control taken from JB Marks, Matlosana, and Maquassi Hills Local Municipalities by 30 June 2025	None	None	Food control compliance reports
Planning	To promote physical infrastructure development services	Municipal Planning	700.72km of Roads Assessed within Matlosana LM	897km of Unpaved Roads Assessed within Maquassi LM Hills, JB Marks LM & Matlosana LM	Nil	<b>KPI 8</b> Total kilometres of Unpaved Roads Assessed within Maquassi Hills LM, JB Marks LM & Matlosana LM <b>PLN</b>	Output	700,72km of Paved Roads Assessed within Matlosana LM by 31 March 2024	<b>ACHIEVED</b> 700,72km of Paved Roads Assessed within Matlosana LM by 31 March 2024	897km of Unpaved Roads Assessed within Maquassi Hills LM, JB Marks LM & Matlosana LM by 31 March 2025	R 2 761 000	PO10098/IE00017/FD10016/FX10006/RX10001/CO10000/3605	<b>ACHIEVED</b> 897km of Unpaved Roads Assessed within Maquassi Hills LM, JB Marks LM & Matlosana LM by 31 March 2025	None	None	3 Reports on the 897km of assessed unpaved roads for Maquassi Hills LM, JB Marks LM & Matlosana LM

THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Planning	To promote physical infrastructure development services	Municipal Planning	Nil	76 Structures (Bridges and Culverts) assessed within Dr Kenneth Kaunda DM	Nil	<b>KPI 9</b>  Number of road structures assessed (Bridges and Culverts)  <b>PLN</b>	Activity	-	-	76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (10 bridges and 66 culverts)	R 2 761 000	PO10098/IE00017/FD10016/FX10006/RX10001/CO10000/3605	<b>ACHIEVED</b>  76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (10 bridges and 66 culverts)	None	None	Report on assessment of structures (bridges and culverts)

THEMATIC AREAS	BASIC SERVICES DELIVERY															
KPA	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT															
OUTCOME 9	OUTPUT 2		IMPROVING ACCESS TO BASIC SERVICES													
	OUTPUT 4		ACTIONS SUPPORTIVE OF THE HUMAN SETTLEMENT OUTCOME													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			REVISED KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		REVISED ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Planning	To promote physical infrastructure development services	Municipal Planning	Nil	5 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM (3 Water Pumps & 2 Raw Sewerage pumps)	Nil	<b>KPI 10</b>  Number of pumps retrofitted to reduce electricity consumption within Maquassi Hills LM  <b>PLN</b>	Activity	-	-	4 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025  (3 Water Pumps & 1 Raw Sewerage pumps)	R 4 000 000	PO10105/IE00011/FD10024/FX10006/RX10001/CO10000/3605	<b>NOT ACHIEVED</b>  4 pumps <b>NOT</b> retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025	The installation of Variable Speed Drives (VSDs) intended for connection to back-up sewer pump stations and water reservoirs within Maquassi Hills Local Municipality could not be implemented as planned. The delay was caused by the late delivery of critical materials by the appointed supplier. Consequently, the project milestone could not be achieved within the reporting period	VSD materials to be installed in the 2025/26 financial year.	Progress reports Close-Out Report



# **KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

### 3.1.2. KPA 2: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Human Resources	To ensure municipal excellence	Municipal Planning	2 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	2 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Nil	KPI 11  Number 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  <b>CS</b>	Output	02 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 30 June 2024	<b>NOT ACHIEVED</b>  1 person from employment equity target groups employed in the three highest levels of management in compliance with a municipality approved employment equity plan by 30 June 2024	02 people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 31 December 2024	OPEX	-	<b>NOT ACHIEVED</b>  1 person from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan by 31 December 2024	There were no appointments for the 1st six months of the financial. There was an administrative moratorium placed on the filling of vacancies. Senior managers positions are also awaiting competency assessments	The Municipality is now a soft moratorium which will allow the Recruitment and Selection Process to continue.	- Appointment letters

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Human Resources	To ensure municipal excellence	Municipal Planning	Nil	176 Dr Kenneth Kaunda District Municipality's employees with signed job descriptions	Nil	KPI 12  Number of Dr Kenneth Kaunda District Municipality's employees with signed job descriptions <b>CS</b>		-	-	182 Dr Kenneth Kaunda District Municipality's employees with signed job descriptions by 30 June 2025	OPEX	-	<b>NOT ACHIEVED</b>  0 Dr Kenneth Kaunda District Municipality's employees with job descriptions by 31 December 2024, however 20 draft job descriptions were developed	A working session between COGSTA and Dr KKDM employees was held on 9th October 2024 and 20 draft job descriptions were developed but not yet signed by the employees 234 Job descriptions were drafted and completed. A session was proposed for 24 - 26 June 2025 but due to the Evacuation process Labour representatives was unavailable as well as venue space to conduct the sessions.	The signing session to be implemented on the 4th quarter. A new date is scheduled for 7, 8, 9 and 11 July 2025.	Signed job descriptions

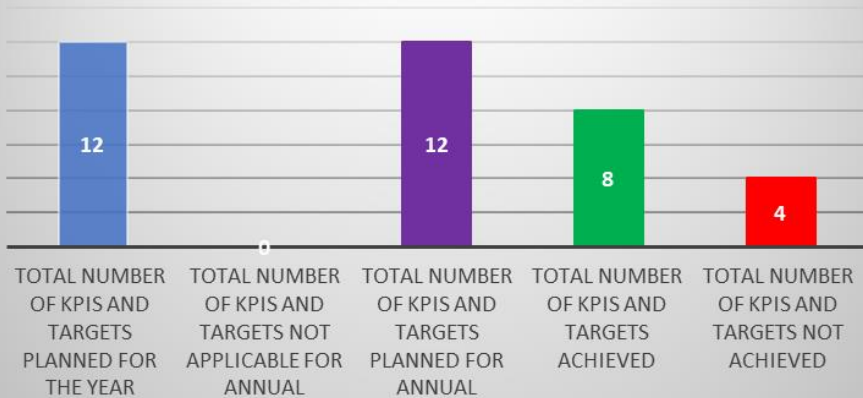
<b>NATIONAL LG PRIORITIES</b>	<b>LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT</b>															
<b>KPA</b>	<b>MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT</b>															
<b>OUTCOME 9</b>	<b>OUTPUT 1</b>	<b>IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>														
	<b>OUTPUT 6</b>	<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Human Resources	To ensure municipal excellence	Municipal Planning	Nil	182 Dr Kenneth Kaunda District Municipality's employees with signed performance agreements	Nil	<b>KPI 13</b> Number of Dr Kenneth Kaunda District Municipality's employees with signed performance agreements <b>CS</b>		-	-	90 Dr Kenneth Kaunda District Municipality's employees with signed performance agreements by 31 December 2024	OPEX	-	<b>NOT ACHIEVED</b> 8 Dr Kenneth Kaunda District Municipality's employees with signed job descriptions by 30 June 2025	23 Managers were targeted for the 2nd quarter in line with the cascading implementation plan	The signing session to be implemented in the new financial year	Signed performance agreements
Human Resources	To ensure municipal excellence	Municipal Planning	Nil	182 Dr Kenneth Kaunda District Municipality's employees with signed employment contracts	Nil	<b>KPI 14</b> Number of Dr Kenneth Kaunda District Municipality's employees with signed employment contracts <b>CS</b>		-	-	90 Dr Kenneth Kaunda District Municipality's employees with signed employment contracts by 30 June 2025	OPEX	-	<b>NOT ACHIEVED</b> 46 draft contracts are concluded and awaiting to be signed by individual employees. 62 employees were identified to be without signed employment contracts	46 draft contracts are concluded and awaiting to be signed by individual employees. 62 employees were identified to be without signed employment contracts	Signing of employment contract will continue in the new financial year	Signed employment contracts

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Human Resources	To ensure municipal excellence	Municipal Planning	Workplace skills plan submitted to LGSETA	Timeous submission report on the workplace skills plan submitted to LGSETA	Nil	<b>KPI 15</b> Number of workplace skills plan submitted to LGSETA <b>CS</b>	Output	(1) Report on the workplace skills plan submitted to LGSETA by 30 April 2024	<b>ACHIEVED</b> 1 Report on the workplace skills plan submitted to LGSETA by 30 April 2024	(1) Report on the workplace skills plan submitted to LGSETA by 30 April 2025	OPEX	-	<b>ACHIEVED</b> (1) Report on the workplace skills plan submitted to LGSETA by 30 April 2025	None	None	Proof of submission to LGSETA
Human resources	To ensure municipal excellence	Municipal Planning	4 OHS comprehensive inspections	4 OHS comprehensive inspections	Nil	<b>KPI 16</b> Number of comprehensive inspections on OHS conducted <b>CS</b>	Activity	4 comprehensive inspections on OHS conducted by 30 June 2024	<b>ACHIEVED</b> 4 comprehensive inspections on OHS conducted by 30 June 2024	4 comprehensive inspections on OHS conducted by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 4 comprehensive inspections on OHS conducted by 30 June 2025	None	None	OHS Inspection reports
Human Resources	To ensure municipal excellence	Municipal Planning	1 Employment Equity Plan submitted to Department of Labour	1 Employment Equity Plan submitted to Department of Labour	Nil	<b>KPI 17</b> Number of Employment Equity Plan submitted to Department of Labour <b>CS</b>	Output	1 Employment Equity Plan submitted to Department of Labour by 15 January 2024	<b>ACHIEVED</b> 1 Employment Equity Plan submitted to Department of Labour	1 Employment Equity Plan submitted to Department of Labour by 15 January 2025	OPEX	-	<b>ACHIEVED</b> 1 Employment Equity Plan submitted to Department of Labour by 15 January 2025	None	None	1 Employment Equity Plan
Corporate Services	To ensure internal	Municipal planning	100% of municipality's	100% of municipality's	Nil	<b>KPI 18</b>	O	100% of municipality'	<b>ACHIEVED</b>	100% of municipality	R 450 000		<b>ACHIEVED</b>	None	None	Workplace skills plan

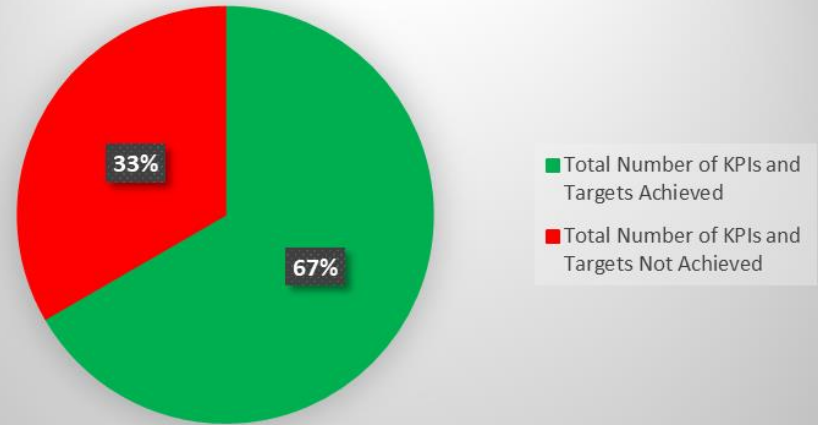
<b>NATIONAL LG PRIORITIES</b>		<b>LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT</b>														
<b>KPA</b>		<b>MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT</b>														
<b>OUTCOME 9</b>		<b>IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>														
		<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
	municipal excellence		budget actually spent on implementing its workplace skills plan	budget actually spent on implementing its workplace skills		Percentage of municipality's budget actually spent on implementing its workplace skills plan <b>CS</b>		s budget actually spent on implementing its workplace skills plan by 30 June 2024	100% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2024	's budget actually spent on implementing its workplace skills plan by 30 June 2025	R 450 000	PO10074/IE 00468/FD10 007/FX1000 4/RX10001/ CO10000/33 05	100% of municipality's budget actually spent on implementing its workplace skills plan by 30 June 2025			detailed Report Training expenditure report
Corporate Services	To ensure internal municipal excellence	Municipal planning	Nil	4 municipal fleet vehicles procured	Nil	<b>KPI 19</b> Number of municipal fleet vehicles procured <b>CS</b>	Output	-	-	5 municipal fleet vehicles procured by 30 June 2025	R 2 434 000	PC10024/IA 00452/FD10 005/FX1000 4/RX10001/ CO10000/33 05	<b>ACHIEVED</b> 5 municipal fleet vehicles procured by 30 June 2025	None	None	Goods receipt note Proof of payment

<b>NATIONAL LG PRIORITIES</b>		<b>LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT</b>														
<b>KPA</b>		<b>MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT</b>														
<b>OUTCOME 9</b>		<b>IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>														
<b>OUTPUT 1</b>		<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
<b>OUTPUT 6</b>		<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Corporate Services	To ensure internal municipal excellence	Municipal planning	Nil	100% of budget expenditure of office furniture spent	Nil	<b>KPI 20</b>  Percentage of budget expenditure on office furniture spent  <b>CS</b>	Output	-	-	100% of budget expenditure of office furniture spent by 30 June 2025	R 600 000	PC10001/IA00307/FD10005/FX10004/RX10002/CO10000/3305	<b>ACHIEVED</b>  100% of budget expenditure of office furniture spent by 30 June 2025			Goods receipt note Proof of payment
Corporate Services	To ensure internal municipal excellence	Municipal planning	Nil	100% budget expenditure on computer equipment spent	Nil	<b>KPI 21</b>  Percentage of budget expenditure on computer equipment spent  <b>ICT</b>	Output	-	-	100% budget expenditure on computer equipment spent by 30 June 2025	R 493 000	PC10013/IA00273/FD10005/FX10004/RX10001/CO10000/3305	<b>ACHIEVED</b>  100% budget expenditure on computer equipment spent by 30 June 2025	None	None	Goods receipt note Proof of payment
Corporate Services	To ensure internal municipal excellence	Municipal planning	Nil	Conference system procured	Nil	<b>KPI 22</b>  Number of Conference systems procured  <b>ICT</b>	Output	-	-	1 Conference system procured by 31 December 2024	R 1 000 000	PC10027/IA00307/FD10005/FX10004/RX10002/CO10000/3305	<b>ACHIEVED</b>  1 Conference system procured by 30 June 2024	None	None	Goods receipt note Proof of payment

### SUMMARY OF MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT



### ACHIEVEMENT TOTAL



# **KPA 3: LOCAL ECONOMIC DEVELOPMENT**

### 3.1.3. KPA 3: LOCAL ECONOMIC DEVELOPMENT

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Local Economic Development and Tourism	To promote socio-economic development  Circular 88	Regional Tourism Municipal Planning Municipal Health Services	321 Jobs created through LED initiatives and EPWP	338 Jobs created through LED Initiatives and EPWP	Nil	<b>KPI 23</b>  Number of Jobs created through LED Initiatives and EPWP within the Dr Kenneth Kaunda District <b>PLN LED</b>	Outcome	321 Jobs created through LED Initiatives and EPWP within the Dr Kenneth Kaunda District 31 December 2023	<b>ACHIEVED</b>  328 Jobs created through LED Initiatives and EPWP within the Dr Kenneth Kaunda District 30 June 2024	338 Jobs created through LED Initiatives and EPWP within the Dr Kenneth Kaunda District 30 September 2024	R 7 427 000 (EPWP)		<b>ACHIEVED</b>  338 Jobs created through LED Initiatives and EPWP within the Dr Kenneth Kaunda District 30 June 2025	None	None	Appointment letters.
											R 1 122 000	PO10097/IE00048/FD10015/FX10006/RX10001/CO10000/3605				
											R 6 305 000	PO10000/IE00048/FD10003/FX10006/RX10001/CO10000/3605				
Local Economic Development and Tourism	To promote socio-economic development	Regional Tourism Municipal Planning Municipal Health Services	100 jobs created	100 jobs to be created	Nil	<b>KPI 24</b>  Number of jobs created through CPBs within the Dr Kenneth Kaunda District <b>SP</b>	Outcome	100 jobs created through CPBs within the Dr Kenneth Kaunda District by 30 September 2023	<b>ACHIEVED</b>  112 jobs created through CPBs within the Dr Kenneth Kaunda District by 30 June 2024	100 jobs created through CPBs within the Dr Kenneth Kaunda District by 30 September 2024	R 5 468 100		<b>ACHIEVED</b>  100 jobs created through CPBs within the Dr Kenneth Kaunda District by 30	None	None	Appointment letters
											R 40 100	PO10032/IE00042/FD10003/FX10000/RX10001/CO10000/3110				
											R 5 428 000	PO10032/IE00048/FD10003/FX10000/RX10001/CO10000/3110				
Local Economic Development Tourism	To promote socio-economic development	Regional Tourism	3 tourism / trade marketing exhibitions hosted/participated	4 tourism / trade marketing exhibitions hosted/	Nil	<b>KPI 25</b>  Number of tourism / trade marketing	Activity	3 tourism / trade marketing exhibitions hosted/participated by	<b>ACHIEVED</b>  3 tourism / trade marketing exhibitions	3 tourism / trade marketing exhibitions hosted/participated	R 101 000		<b>ACHIEVED</b>  3 tourism / trade marketing exhibitions hosted/	None	None	Reports on tourism / trade marketing exhibitions hosted
											R 60 000	PO10101/IE00042/FD10003/FX10006/RX10001/CO10000/3605				

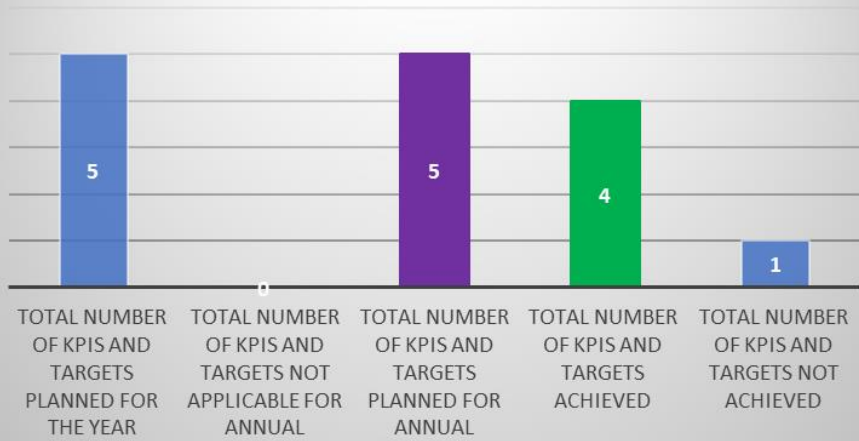
<b>NATIONAL LG PRIORITIES</b>	<b>LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT</b>															
<b>KPA</b>	<b>MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT</b>															
<b>OUTCOME 9</b>	<b>OUTPUT 1</b>	<b>IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>														
	<b>OUTPUT 6</b>	<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
	To grow an inclusive and sustainable tourism economy, as well as			participated		exhibitions hosted/participated <b>LED</b>		30 June 2024	hosted/participated by 30 June 2024	by 30 June 2025	R 1 000	PO10101/IE004 62/FD10003/FX 10006/RX1000 1/CO10000/360 5	participated by 30 June 2025			

NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
	promote inward and outward trade investment and participation.									R 40 000	PO10101/IE004 85/FD10003/FX 10006/RX1000 1/CO10000/360 5					
Local Economic Development: sports, arts, culture and heritage.	To transform the delivery of sports & recreation by ensuring equitable	Regional Tourism	5 sports, arts and culture initiatives supported	5 sports, arts and culture initiatives supported	Nil	<b>KPI 26</b>  Number of sports, arts and culture initiatives	Activity	4 sports, arts and culture initiatives within Dr. Kenneth	<b>ACHIEVED</b>  4 sports, arts and culture initiatives within Dr.	5 sports, arts and culture initiatives within Dr. Kenneth	R 384 000  R 50 000	PO10102/IE000 42/FD10003/FX 10006/RX1000 1/CO10000/360 5	<b>NOT ACHIEVED</b>  2 sports, arts, and culture initiatives within	The Fun Run was cancelled at the last minute by partners due to	New programmes aligned with the KPI will be implemented	Reports on sports, arts; culture and recreation

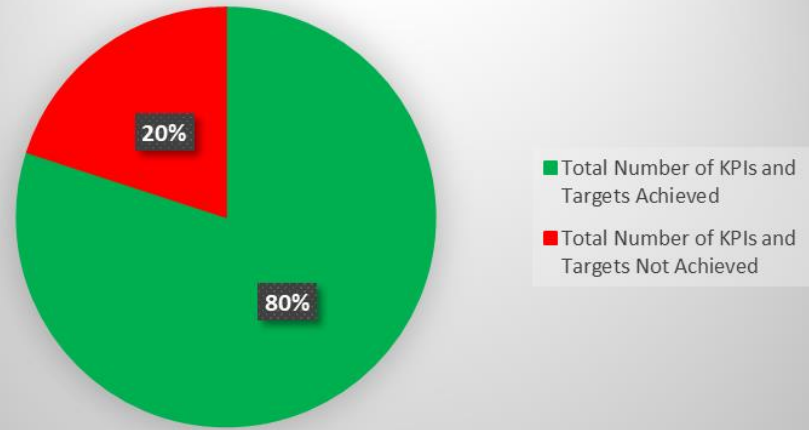
NATIONAL LG PRIORITIES	LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT															
KPA	MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT															
OUTCOME 9	OUTPUT 1	IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT														
	OUTPUT 6	ADMINISTRATIVE AND FINANCIAL CAPABILITY														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
	access and development at all levels, as well as develop, preserve, protect, and promote arts, culture & heritage.					within Dr. Kenneth Kaunda District supported <b>LED</b>		Kaunda District supported by 30 June 2024	Kenneth Kaunda District supported by 30 June 2024	Kaunda District supported by 30 June 2025	R 150 000	PO10102/IE004 62/FD10003/FX 10006/RX1000 1/CO10000/360 5	Dr. Kenneth Kaunda District supported by 30 June 2025	unforeseen circumstances.  As a result, only four (2) initiatives were supported, either financially or non-financially, against the planned target of five (5)	in the Financial Year 2025/26	initiatives supported.
										R 4 000	PO10102/IE004 85/FD10003/FX 10006/RX1000 1/CO10000/360 5					
										R 180 000	PO10102/IE005 68/FD10003/FX 10006/RX1000 1/CO10000/360 5					
Local Economic Development	To promote sustainable Economic Growth through Agriculture	Regional economic development	2 Agricultural initiatives supported	2 Agricultural initiatives supported	Nil	<b>KPI 27</b>  Number of Agricultural initiatives supported within Dr. Kenneth Kaunda District <b>LED</b>	Outcome	2 Agricultural initiatives supported within Dr. Kenneth by 30 June 2024	<b>ACHIEVED</b>  2 Agricultural initiatives supported within Dr. Kenneth by 30 June 2024	2 Agricultural initiatives supported within Dr. Kenneth by 30 June 2025	R 148 000	<b>ACHIEVED</b>	The department was able to implement two additional activities.	None	Report on Agricultural initiatives supported	
										R 94 000	PO10103/IE000 42/FD10003/FX 10006/RX1000 1/CO10000/360 5	4 Agricultural initiatives supported within Dr. Kenneth Kaunda District attended by 30 June 2025				
										R 20 000	PO10103/IE004 62/FD10003/FX 10006/RX1000 1/CO10000/360 5					

<b>NATIONAL LG PRIORITIES</b>	<b>LABOUR MATTERS, FINANCIAL AND ADMINISTRATIVE CAPACITY, SERVICE DELIVERY, FINANCIAL VIABILITY, GOOD GOVERNANCE, INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT, ECONOMIC DEVELOPMENT</b>															
<b>KPA</b>	<b>MUNICIPAL TRANSFORMATIONS AND ORGANISATIONAL DEVELOPMENT</b>															
<b>OUTCOME 9</b>	<b>OUTPUT 1</b>	<b>IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>														
	<b>OUTPUT 6</b>	<b>ADMINISTRATIVE AND FINANCIAL CAPABILITY</b>														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
										R 34 000	PO10103/IE005 05/FD10003/FX 10006/RX1000 1/CO10000/360 5					

### SUMMARY OF LOCAL ECONOMIC DEVELOPMENT



### ACHIEVEMENT TOTAL



# **KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

### 3.1.4. KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED

ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED

FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
			Budget and Treasury	To ensure internal municipal excellence	Municipal Planning			12 MFMA section 71 reports submitted	12 MFMA section 71 reports submitted to the Executive Mayor within legislative timeframe							
Budget and PMS	To ensure internal municipal excellence	Municipal Planning	4 MFMA section 52 reports submitted to Council	4 MFMA section 52 reports submitted to Council	Nil	KPI 29  Number of MFMA section 52 reports submitted to Council <b>BTC</b>	Output	4 MFMA section 52 reports submitted to Council by 30 June 2024	ACHIEVED  4 MFMA section 52 reports submitted to Council by 30 June 2024	4 MFMA section 52 reports submitted to Council by 30 June 2025	OPEX	-	ACHIEVED  4 MFMA section 52 reports submitted to Council by 30 June 2025	None	None	4 Council resolutions on MFMA Section 52 reports submitted to council  4 <sup>th</sup> qpr 2023/24 Council Resolution  1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> 2024/25

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.															
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED													
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
																qprs Council Resolutions
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	12 MFMA section 66 reports submitted	12 MFMA section 66 reports submitted within legislative timeframe	Nil	<b>KPI 30</b>  Number of MFMA section 66 reports submitted to Council  <b>BTC</b>		-	-	12 MFMA section 66 reports submitted to Council by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  12 MFMA section 66 reports submitted to Council by 30 June 2025	None	None	12 Section 66 reports Council Resolutions  June 2024 Report/ Council Resolution  July – May 2025 Reports/ Council Resolution

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.															
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED													
	OUTPUT 6		ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED													
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Budget and Treasury  PMS	To ensure internal municipal excellence	Municipal Planning	4 MFMA Circular 34 reports submitted	4 MFMA Circular 34 reports submitted	Nil	KPI 31  Number of SCM Circular 34 reports submitted to Council  <b>BTC</b>		-	-	4 SCM Circular 34 reports submitted to Council by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  4 SCM Circular 34 reports submitted to Council by 30 June 2025	None	None	4 SCM quarterly reports Council Resolutions  4 <sup>th</sup> quarter SCM 2023/24 Council Resolution / Reports  1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> 2024/25 quarter SCM Council Resolutions/ Reports

<b>NATIONAL LG PRIORITIES</b>																	<b>ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.</b>																
<b>KPA</b>																	<b>MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>																
<b>OUTCOME 9</b>			<b>OUTPUT 1</b>			<b>A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED</b>																											
<b>OUTPUT 6</b>			<b>ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED</b>																														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE																	
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE																								
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	Post Audit Action Plan Developed and submitted to Council	Post Audit Action Plan Developed and submitted to Council	Nil	<b>KPI 32</b> Number of post-audit action plans <b>BTC</b>		-	-	1 post-audit action plans by 31 January 2025	OPEX	-	<b>ACHIEVED</b>  1 post-audit action plans by 31 January 2025	None	None	Post Audit Action Plan																	
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	2023/24 adjustment budget	2024/25 adjustment budget tabled	Nil	<b>KPI 33</b> 2024/25 adjustment budget developed approved <b>BTC</b>	Output	2023/24 adjustment budget developed approved by 28 February 2024	<b>ACHIEVED</b> 2023/24 adjustment budget developed approved by 28 February 2024 2nd adjustment budget approved by the 29th June 2024	2024/25 adjustment budget developed approved by 28 February 2025	OPEX	-	<b>ACHIEVED</b>  2024/25 adjustment budget developed approved by 28 February 2025	None	None	Council resolution and 2024/25 Adjustment Budget																	

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.															
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
OUTCOME 9	OUTPUT 1		A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED													
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FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	2024/25 budget compiled approved (MFMA, Sec 25)	2025/26 budget compiled approved	Nil	KPI 34 2025/26 budget compiled approved <b>BTC</b>	Output	Compiled 2024/25 budget compiled approved by 31 May 2024	<b>ACHIEVED</b> Compiled 2024/25 budget approved by 31 May 2024	2025/26 budget compiled approved by 31 May 2025	OPEX	-	<b>ACHIEVED</b> 2025/26 budget compiled approved by 31 May 2025	None	None	Council Resolution and Approved 2025/26 budget
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	Acceptable norm of financial viability as expressed by the ratios	Acceptable norm of financial viability as expressed by the ratios	Nil	KPI 35 Financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) <b>BTC</b>	Output	Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2024	<b>ACHIEVED</b> Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2024	Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2025	OPEX	-	<b>ACHIEVED</b> Acceptable norm of financial viability as expressed by the ratios (debt coverage ratio, outstanding service debtors to revenue, Cost coverage age) by 30 June 2025	None	None	Financial viability ratios report

ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.

NATIONAL LG PRIORITIES	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.															
KPA	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Budget and treasury	To ensure internal municipal excellence	Municipal Planning	2 assets verification report submitted	2 assets verification report submitted	Nil	<b>KPI 36</b> Number of assets verification report submitted <b>BTC</b>	Output	2 assets verification report submitted by 30 June 2024	<b>ACHIEVED</b> 2 assets verification report submitted by 30 June 2024	2 assets verification report submitted by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 2 assets verification report submitted by 30 June 2025	None	None	2 Assets verification reports
Budget and Treasury	To ensure municipal excellence	Municipal Planning	2023/24 Contract registers updated	2024/25 Contract registers updated	Nil	<b>KPI 37</b> Number of updated Contract registers submitted to Council <b>BTC</b>	Output	4 updated Contract registers submitted to Council by 30 June 2024	<b>ACHIEVED</b> 4 updated Contract registers submitted to Council by 30 June 2024	4 updated Contract registers submitted to Council by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 4 updated Contract registers submitted to Council by 30 June 2025	None	None	4 updated Contract registers

ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE.

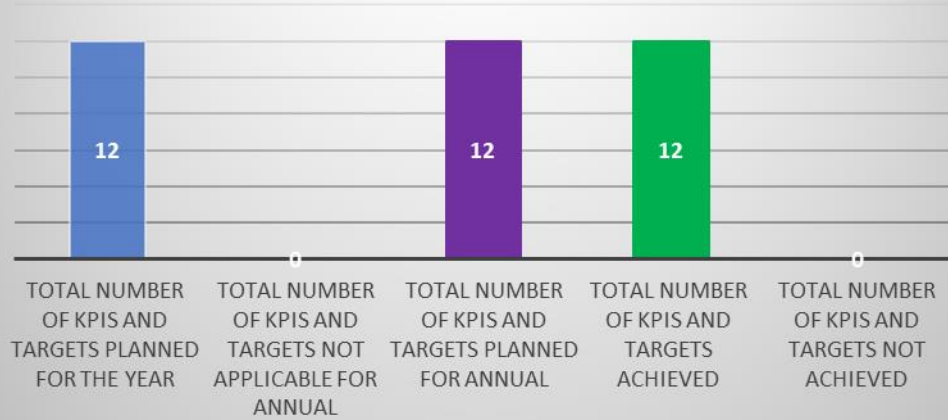
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

A POLICY FRAMEWORK THAT PROVIDES FOR A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT IS IMPLEMENTED

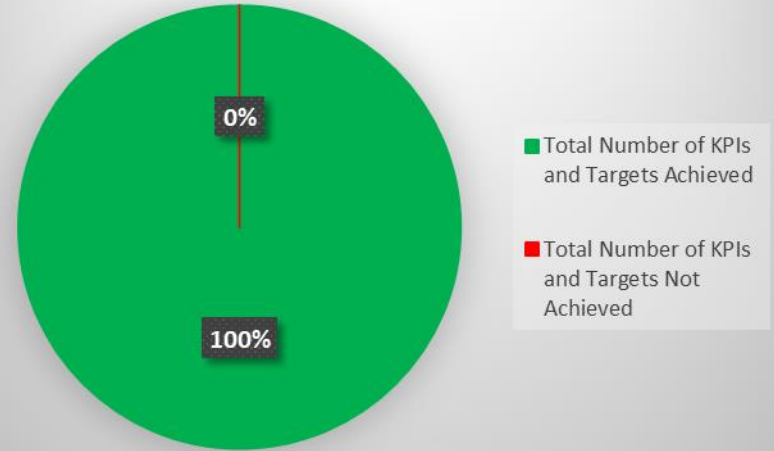
ADMINISTRATIVE AND FINANCIAL CAPABILITIES OF MUNICIPALITIES ARE ENHANCED

FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MESURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Budget and Treasury	To ensure municipal excellence	Municipal Planning	2023/24 capital projects expenditure report	Monitoring of capital expenditure	Nil	<b>KPI 38</b> Percentage 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  <b>BTC</b>	Activity	100% 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 by 30 June 2024	<b>NOT ACHIEVED</b> 97% 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 by 30 June 2024	100% 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 by 30 June 2025	R 11 510 000	-	<b>ACHIEVED</b> 98.62% 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 by 30 June 2025	None	None	Capital Expenditure report
Budget and Treasury	To ensure municipal excellence	Municipal Planning	2022/23 Procurement plan	2024/25 Procurement plan developed	Nil	<b>KPI 39</b> Number of Procurement plans submitted to Council  <b>BTC</b>		-	-	1 Procurement plans submitted to Council by 31 May 2025	OPEX	-	<b>ACHIEVED</b> 1 Procurement plans submitted to Council by 31 May 2025	None	None	Procurement Plan

### SUMMARY OF MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT



### ACHIEVEMENT TOTAL



# **KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### 3.1.5. KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

#### Municipal Manager’s Office: Internal Audit, Corporate Communications, Strategic Planning, Performance Management System, MISS- Municipal Information Security Standards, Speakers Office and Executive Mayor’s Office

NATIONAL LG PRIORITIES		BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION														
		ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE														
KPA 2		TO PROMOTE GOOD GOVERNANCE														
OUTCOME 9		OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE														
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Budget and Treasury	To ensure internal municipal excellence	Municipal Planning	(8) 2023/24 budget related policies developed and reviewed	(8) 2024/25 budget related policies developed and reviewed	Nil	KPI 40  Number of budget related policies workshopped adopted  <b>BTC</b>	Output	8) 2024/25 Budget related policies workshopped adopted by 31 May 2024	<b>ACHIEVED</b>  (8) 2024/25 Budget related policies workshopped adopted by 31 May 2024	(8) 2024/25 Budget related policies workshopped adopted by 31 May 2025	OPEX	-	<b>ACHIEVED</b>  (8) 2024/25 Budget related policies workshopped adopted by 31 May 2025	None	None	Council Resolutions and budget related policies
Internal Audit	To ensure internal municipal excellence	Municipal Planning	2 approved strategic risk-based Audit Plans for the shared IA service developed	(1) three year-rolling risk-based audit plan	Nil	KPI 41  Number of three year-rolling risk-based audit plans developed  <b>IA</b>	Output	2 approved risk-based audit plans for the shared IA service developed by 31 July 2023 (District & MHLM)	<b>NOT ACHIEVED</b>  One approved risk-based audit plans for the shared Internal Audit service developed by 31st July 2023 (District & MHLM)	(1) three year-rolling risk-based audit plan developed by 30 September 2024	OPEX	-	<b>ACHIEVED</b>  (1) three year-rolling risk-based audit plan developed by 30 September 2024	None	None	(1) three year-rolling risk-based audit plan

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Internal Audit	To ensure internal municipal excellence	Municipal Planning	Internal Audit quality assurance conducted	Internal Audit quality assurance conducted	Nil	<b>KPI 42</b>  Internal quality assurance assessment conducted <b>IA</b>	Output	Internal Audit quality assurance conducted by 30 June 2024	<b>NOT ACHIEVED</b>  Zero Internal Audit Quality Assurance Conducted by June 2024.	Internal quality assurance assessment conducted by 31 March 2025	OPEX	-	<b>NOT ACHIEVED</b>  Internal quality assurance assessment <b>NOT</b> conducted by 31 March 2025	CAE requested North West Provincial Treasury to assist us with Internal Quality Assurance Assessment but never responded	This KPI will be included in the SDBIP for the 2025/2026 financial year.	-Internal Audit Quality Assurance Report
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	2022/23 Risk Assessment	2023/24 Risk Assessment	Nil	<b>KPI 43</b>  Number of Risk Assessments conducted for DRKKDM <b>RISK</b>	Output	2 Risk Assessments conducted for DRKKDM by 30 September 2023 (strategic operational risk assessment)	<b>ACHIEVED</b>  2 Risk Assessment Reviewed Conducted, Strategic and Operational Risk Register reviewed and updated as at 30 September 2023 for 2023/2024 financial year	2 Risk Assessments conducted for (2023/24) DRKKDM by 30 September 2024  (strategic & operational risk assessment)	OPEX	-	<b>ACHIEVED</b>  2 Risk Assessments conducted for (2023/24) DRKKDM by 30 September 2024	None	None	Risk Assessments

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	Nil	12 Internal assessment reports of the effectiveness of security controls produced	Nil	<b>KPI 44</b>  Number of Internal assessment reports of the effectiveness of security controls produced  <b>MISS</b>		-	-	4 Internal assessment reports of the effectiveness of security controls produced by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  4 Internal assessment reports of the effectiveness of security controls produced by 30 June 2025	None	None	12 Assessment Reports
Communications	To ensure internal municipal excellence	Municipal Planning	Approved of reviewed Communications Strategy	Approval of reviewed Communications Strategy	Approved reviewed Communications Strategy	<b>KPI 45</b>  Number of Communication Strategies reviewed <b>COMM</b>	Output	1 reviewed Communications Strategy adopted by 30 June 2024	<b>ACHIEVED</b>  1 Reviewed Communication Strategy adopted by 30 June 2024	1 Communications Strategy reviewed by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  1 Communications Strategy reviewed by 30 June 2025	None	None	Reviewed Communications Strategy
Communications	To ensure internal municipal excellence	Municipal Planning	4 of Newsletters produced	4 of Newsletters produced	Nil	<b>KPI 46</b>  Number of District Newsletters produced <b>COMM</b>	Output	4 of Newsletters produced by end 30 June 2024	<b>ACHIEVED</b>  4 Newsletters produced by end 30 June 2024	4 of Newsletters produced by end 30 June 2025	OPEX	-	<b>ACHIEVED</b>  4 of Newsletters produced by end 30 June 2025	None	None	4 Newsletters

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	1 IDP Representative Forum Meeting conducted	1 IDP Representative Forum Meeting conducted	Nil	<b>KPI 47</b> Number of IDP Representative Forum Meetings conducted <b>STR</b>	Activity	1 IDP Representative Forum Meeting conducted by 30 June 2024	<b>ACHIEVED</b> 1 IDP Representative Forum Meeting conducted by 30 June 2024	1 IDP Representative Forum Meeting conducted by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 1 IDP Representative Forum Meeting conducted by 30 June 2025	None	None	Report on IDP Representative Forum  Advertisements
Strategic Planning	To ensure internal municipal excellence	Municipal Planning	5-year plan IDP Document for approved	2025/26 IDP review adopted by Council	Nil	<b>KPI 48</b> Number of 2025/26 IDP review adopted by Council <b>STR</b>	Output	(1) 2024/25 IDP review adopted by Council by 30 June 2024	<b>ACHIEVED</b> 2024/25 Draft IDP review adopted by Council by 31 March 2024 2024/25 IDP review adopted by Council by 30 June 2024	(1) 2025/26 IDP review adopted by Council by 30 June 2025	OPEX	-	<b>ACHIEVED</b> (1) 2025/26 IDP review adopted by Council by 30 June 2025	None	None	Council Resolution and 2022-2027 IDP

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Performance Management Systems	To ensure internal municipal excellence	Municipal Planning	2024/25 Top layer SDBIP approved	2025/26 Top layer SDBIP	Nil	<b>KPI 49</b>  Number of Top - layer SDBIP approved by Executive Mayor <b>PMS</b>	Output	2024/25 Top layer SDBIP approved by Executive Mayor by 30 June 2024	<b>ACHIEVED</b>  2024/25 Top layer SDBIP approved by Executive Mayor on the 20th June 2024	2025/26 Top layer SDBIP approved by Executive Mayor by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  2025/26 Top layer SDBIP approved by Executive Mayor by 30 June 2025	None	None	Approved 2025/26 Top layer SDBIP
Performance Management System	To ensure internal municipal excellence	Municipal planning	2023/24 Mid-Year Term Performance Reports compiled	2024/25 Mid-Year Performance Assessment Report	Nil	<b>KPI 50</b>  Number of Mid-Year Performance Assessment Report compiled <b>STOPMS</b>	Output	2023/24 Mid-Year Performance Assessment Report compiled by 31 January 2024	<b>ACHIEVED</b>  2023/24 Mid-Year Performance Assessment Report compiled by 31 January 2024	2024/25 Mid-Year Performance Assessment Report compiled by 31 January 2025	OPEX	-	<b>ACHIEVED</b>  2024/25 Mid-Year Performance Assessment Report compiled by 31 January 2025	None	None	Council Resolution and 2024/25 Mid-Year Performance Assessment Report compiled

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Performance Management Systems	To ensure internal municipal excellence	Municipal Planning	2022/23 annual performance report and AFS submitted to AGSA compiled	2023/24 annual performance report and AFS submitted to AGSA compiled	Nil	<b>KPI 51</b> Timeous submission of 2023/24 Annual Performance Report and AFS submitted to Auditor General <b>PMSBTC</b>	Output	2022/23 Annual Performance Report and AFS submitted to Auditor General by 31 August 2023	<b>ACHIEVED</b> 2022/23 Annual Performance Report and AFS submitted to Auditor General by 31 August 2023	2023/24 Annual Performance Report and AFS submitted to Auditor General by 31 August 2024	OPEX	-	<b>ACHIEVED</b> 2023/24 Annual Performance Report and AFS submitted to Auditor General by 31 August 2024	None	None	-Proof of submission
Speaker	To ensure internal municipal excellence	Municipal Planning	6 council meetings coordinated	6 council meetings	Nil	<b>KPI 52</b> Number of council meetings held <b>SP</b>	Activity	6 council meetings held by 30 June 2024	<b>ACHIEVED</b> 11 council meetings held by 30 June 2024	6 council meetings held by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 13 council meetings held by 30 June 2025	None	None	-Meeting Notices - Attendance Registers
Executive Mayor	Promote Social Economic Development	None	4 'Speaker do something' events	4 'Speaker do something' events	Nil	<b>KPI 53</b> Number of 'Speaker do something' events held <b>SP</b>	Outcome	4 'Speaker do something' events held by 30 June 2024	<b>ACHIEVED</b> 4 'Speaker do something' events held by 30 June 2024	4 'Speaker do something' events held by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 4 'Speaker do something' events held by 30 June 2025	None	None	Reports of Speaker Do Something events

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Speaker	To ensure internal municipal excellence	Municipal Planning	2022/23 Municipal oversight report submitted to Council	2023/24 Municipal oversight report submitted to Council	Nil	<b>KPI 54</b>  Number Municipal oversight reports submitted to Council <b>SP</b>	Output	1 Municipal oversight report submitted to Council by end 31 March 2024	<b>ACHIEVED</b>  1 Municipal oversight report submitted to Council by end 31 March 2024	1 Municipal oversight report submitted to Council by 31 March 2025	OPEX	-	<b>ACHIEVED</b>  1 Municipal oversight report submitted to Council by 31 March 2025	None	None	Oversight Report
Single Whip	Liaise with different political parties on council agenda	None	4 Whips Forum meetings held	4 Whips Forum meetings held	Nil	<b>KPI 55</b>  Number of Whips Forum meetings held <b>Single Whip</b>	Activity	4 Whips Forum meetings held by 30 June 2024	<b>ACHIEVED</b>  4 Whips Forum meetings held by 30 June 2024	4 Whips Forum meetings held by 30 June 2025	OPEX	-	<b>ACHIEVED</b>  4 Whips Forum meetings held by 30 June 2025	None	None	Invitations Agenda Minutes
Single Whip	Councilor performance management	None	Nil	1 Municipal awards events held	Nil	<b>KPI 56</b>  Number of Municipal awards events held <b>Single Whip</b>	Activity	-	-	1 Municipal awards events held by 31 December 2024	R 62 400	PO10052/IE00462/FD10003/FX10000/RX10001/CO10000/3115	<b>ACHIEVED</b>  1 Municipal awards events held by 31 December 2024	None	None	Concept document Report
Single Whip	Enhancing democracy and social cohesion	None	1 Schools debate held within Dr Kenneth Kaunda District	1 Schools debate held within Dr Kenneth Kaunda District	Nil	<b>KPI 57</b>  Number of schools debate held within Dr Kenneth Kaunda District	Outcome	1 schools debate held within Dr Kenneth Kaunda District by	<b>NOT ACHIEVED</b>  0 schools debate concluded within Dr	1 schools debate held within Dr Kenneth Kaunda District by 30 June 2025	R 523 000	PO10053/IE00042/FD10003/FX10000/RX10001/CO10000/3115	<b>ACHIEVED</b>  2023/24 Annual Performance Report and AFS submitted	None	None	Concept document Report

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
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			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
						Single Whip		30 June 2024	Kenneth Kaunda District by 30 June 2024		R250 000	PO10053/IE00050/FD10003/FX10000/RX10001/CO10000/3115	to Auditor General by 31 August 2024			
											R 53 000	PO10053/IE00462/FD10003/FX10000/RX10001/CO10000/3115				
Executive Mayor	To promote socio-economic development	None	400 food parcels supplied to distressed families identified	400 food parcels supplied to distressed families identified	Nil	KPI 58 Number of food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified EM	Outcome	400 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2024	ACHIEVED 400 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2024	400 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2025	R 308 500	PO10023/IE00462/FD10003/FX10000/RX10001/CO10000/3105	ACHIEVED 403 food parcels supplied to distressed families within Dr. Kenneth Kaunda District identified by 30 June 2025	None	None	List of Beneficiaries
Executive Mayor	Promote Social Economic Development	None	Nil	5 Disability Organisations supported within Dr Kenneth Kaunda District	Nil	KPI 59 Number of Disability Organisations supported EM		-	-	5 Disability Organisations supported within Dr Kenneth Kaunda District	R 39 000 R 11 000	PO10015/IE00042/FD10003/FX10000/RX10001/CO10000/3105	ACHIEVED 5 Disability Organisations supported within Dr Kenneth	None	None	Approved concept plan Attendance register

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
KPA 2	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
OUTCOME 9	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
				Municipality in compliance to legislation					Municipality in compliance to legislation by 30 June 2025	R 28 000	PO10015/IE00462/FD10003/FX10000/RX10001/CO10000/3105	Kaunda District Municipality in compliance to legislation by 30 June 2025				Report
Executive Mayor	Promote Social Economic Development	None	8 Community Engagement on GBV and Femicide	6 GBV and Femicide Community Engagement held	Nil	<b>KPI 60</b>  Number of GBV and Femicide Community Engagement held within Dr Kenneth Kaunda District Municipality <b>EM</b>	Activity	-	-	5 GBV and Femicide Community Engagement held within Dr Kenneth Kaunda District Municipality by 31 March 2025	R 139 500 R 97 200 R 36 300	PO10017/IE00042/FD10003/FX10000/RX10001/CO10000/3105 PO10017/IE00462/FD10003/FX10000/RX10001/CO10000/3105	<b>ACHIEVED</b> 7 GBV and Femicide Community Engagement held within Dr Kenneth Kaunda District Municipality by 31 March 2025	Due to high demand, and requests received	None	Approved concept plan Attendance register Report

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
										R 6 000	PO10017/IE00485/FD10003/FX10000/RX10001/CO10000/3105					
Executive Mayor	Promote Social Economic Development	None	Nil	6 activities held for stakeholder support	Nil	<b>KPI 61</b>  Number of activities held for stakeholder support within Dr Kenneth Kaunda District Municipality <b>EM</b>	Outcome	-	-	6 activities held for stakeholder support within Dr Kenneth Kaunda District Municipality by 30 June 2025	R 379 000	<b>ACHIEVED</b>	Due to high demand, and requests received	None	- Approved Concept plan - Attendance Register -Report	
		None	Nil		Nil	<b>KPI 62</b>	O	-	-		R 243 000	PO10019/IE00042/FD10003/FX10000/RX10001/CO10000/3105	8 activities held for stakeholder support within Dr Kenneth Kaunda District Municipality by 30 June 2025			
										R 68 000	PO10019/IE00462/FD10003/FX10000/RX10001/CO10000/3105					
										R 32 000	PO10019/IE00485/FD10003/FX10000/RX10001/CO10000/3105					
										R 36 000	PO10019/IE00505/FD10003/FX10000/RX10001/CO10000/3105					
											R 141 350	<b>ACHIEVED</b>	None	None		

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Executive Mayor	Promote Social Economic Development			8 Military Veterans' programmes implemented		Number of Military Veterans' programmes implemented <b>EM</b>			7 Military Veterans' programmes implemented within Dr Kenneth Kaunda District Municipality by 30 June 2025	R 42 700	PO10009/IE00042/FD10003/FX10000/RX10001/CO10000/3105	7 Military Veterans' programmes implemented within Dr Kenneth Kaunda District Municipality by 30 June 2025			Approved concept plan Attendance Register Report	
										R 52 000	PO10009/IE00462/FD10003/FX10000/RX10001/CO10000/3105					
										R 7 650	PO10009/IE00485/FD10003/FX10000/RX10001/CO10000/3105					
										R 39 000	PO10009/IE00505/FD10003/FX10000/RX10001/CO10000/3105					
Executive Mayor	Promote Social Economic Development	None	8 Imbizos held for community feedback and service monitoring	8 Imbizos held for community feedback and service monitoring	Nil	<b>KPI 63</b> Number of Imbizos held for community feedback and service monitoring	Outcome	8 Imbizos held for community feedback and service monitoring held within	<b>ACHIEVED</b> 10 Imbizos held for community feedback and service	7 Imbizos held for community feedback and service monitoring held within	R 503 000 R 280 000	PO10013/IE00042/FD10003/FX10000/RX10001/CO10000/3105	<b>ACHIEVED</b> 13 Imbizos held for community feedback and service	There was a need for feedback to the community	None	Approved concept plan Invitations Imbizo Attendance register

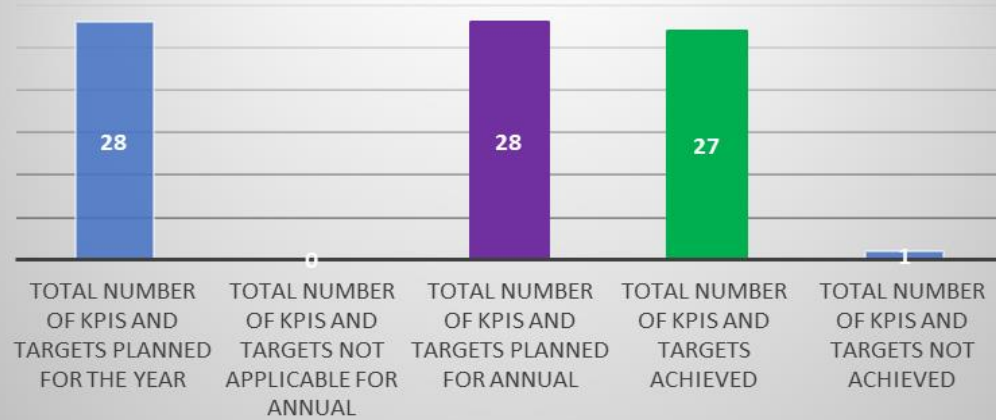
NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
						held within Dr Kenneth Kaunda District Municipality <b>EM</b>		Dr Kenneth Kaunda District Municipality by 30 June 2024	monitoring held within Dr Kenneth Kaunda District Municipality by 30 June 2024	Dr Kenneth Kaunda District Municipality by 30 June 2025	R 7 000	PO10013/IE00462/FD10003/FX10000/RX10001/CO10000/3105	monitoring held within Dr Kenneth Kaunda District Municipality by 30 June 2025			Imbizo report
											R 106 000	PO10013/IE00485/FD10003/FX10000/RX10001/CO10000/3105				
											R 110 000	PO10013/IE00505/FD10003/FX10000/RX10001/CO10000/3105				
Executive Mayor	Promote Social Economic Development	None	6 District Career Seminar hosted within Dr Kenneth Kaunda District Municipality	4 career development and support programs held	5 career development and support programs	<b>KPI 64</b> Number of career development and support programs held within the Dr Kenneth Kaunda District Municipality <b>EM</b>	Outcome	6 career development and support programs within Dr Kenneth Kaunda District Municipality by 30 June 2024	<b>ACHIEVED</b> 7 career development and support programs within Dr Kenneth Kaunda District Municipality by 30 June 2024	3 career development and support programs held within Dr Kenneth Kaunda District Municipality by 30 June 2025	R 141 300		<b>ACHIEVED</b>	Due to high demand, and requests received	None	Approved concept plan Attendance register Report
											R 88 000	PO10014/IE00042/FD10003/FX10000/RX10001/CO10000/3105	7 career development and support programs held within Dr Kenneth Kaunda District Municipality by 30 June 2025			
											R 21 000	PO10014/IE00462/FD10003/FX10000/RX10001/CO10000/3105				

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
										R 32 300	PO10014/IE00505/FD10003/FX10000/RX10001/CO10000/3105					
Executive Mayor	Promote Social Economic Development	None	Nil	5 partnership initiatives supported to unlock youth economic and social development	Nil	<b>KPI 65</b> Number of partnership initiatives supported to unlock youth economic and social development within Dr Kenneth Kaunda District Municipality <b>EM</b>		-	-	4 partnership initiatives supported to unlock youth economic and social development within Dr Kenneth Kaunda District Municipality by 30 June 2025	R 39 000 (Shared Vote) R39 000	PO10018/IE00042/FD10003/FX10000/RX10001/CO10000/3105	<b>ACHIEVED</b> 5 partnership initiatives supported to unlock youth economic and social development within Dr Kenneth Kaunda District Municipality by 30 June 2025	Due to high demand, and requests received	None	Approved concept plan Attendance Register Report
		None	Nil		Nil	<b>KPI 66</b>	○	-	-		R 39 000(Shared Vote)	<b>ACHIEVED</b>			None	

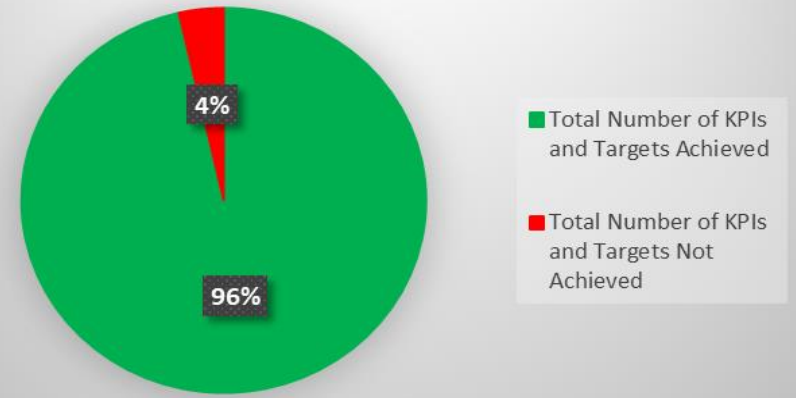
NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
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OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Executive Mayor	Promote Social Economic Development			4 Youth health, safety and crime prevention programmes implemented		Number of Youth health, safety and crime prevention programmes implemented within Dr Kenneth Kaunda District Municipality EM			4 Youth health, safety and crime prevention programmes implemented within Dr Kenneth Kaunda District Municipality by 30 June 2025	R39 000	PO10018/IE00042/FD10003/FX10000/RX10001/CO10000/3105	7 Youth health, safety and crime prevention programmes implemented within Dr Kenneth Kaunda District Municipality by 30 June 2025	Due to high demand, and requests received		Approved concept plan Attendance Register Report	

NATIONAL LG PRIORITIES																	
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																	
ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE																	
KPA 2																	
TO PROMOTE GOOD GOVERNANCE																	
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OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																	
FUNCTIONAL AREA	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTIONS	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE	
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE								
Executive Mayor	Promote Social Economic Development	None	100% of students within Dr. Kenneth Kaunda District validated and awarded with financial assistance	Funding qualifying students	Nil	<p><b>KPI 67</b></p> <p>% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions</p> <p><b>EM</b></p>	Outcome	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2024	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2024	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2025	R 890 000	PO10028/IE00565/FD10003/FX10000/RX10001/CO10000/3105	<b>ACHIEVED</b>	100% of students within Dr. Kenneth Kaunda District validated for assistance awarded with financial assistance in Higher learning institutions by 30 June 2025	None	None	Report on students awarded financial assistance

### SUMMARY OF GOOD GOVERNANCE AND PUBLIC PARTICIPATION



### ACHIEVEMENT TOTAL



# **KPA 6: SPATIAL RATIONALE**

### 3.1.6. KPA 6: SPATIAL RATIONALE

#### DISASTER RISK MANAGEMENT

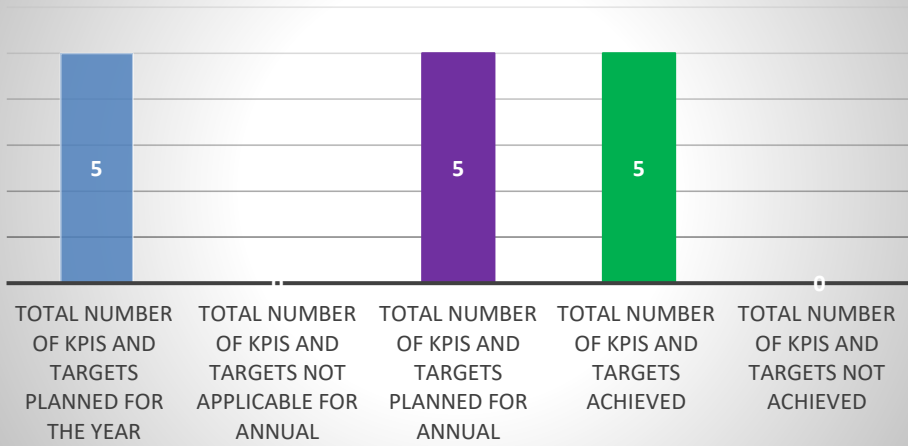
NATIONAL LG PRIORITIES		BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION														
KPA 2		ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE														
OUTCOME 9		TO PROMOTE GOOD GOVERNANCE														
OUTCOME 9		OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE														
Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Fire Services	To ensure fire services	Fire Services	60 Fire Safety Inspections within Dr. Kenneth Kaunda District	60 Fire Safety inspections conducted	Nil	<b>KPI 68</b> Number of Fire Safety Inspections within Dr. Kenneth Kaunda District conducted <b>FIRE</b>	Activity	60 Fire Safety Inspections within Dr. Kenneth Kaunda District conducted by 30 June 2024	<b>ACHIEVED</b> 60 Fire Safety Inspections within Dr. Kenneth Kaunda District conducted by 30 June 2024	60 Fire Safety Inspections within Dr. Kenneth Kaunda District conducted by 30 June 2025	OPEX	-	<b>ACHIEVED</b> 64 Fire Safety Inspections within Dr. Kenneth Kaunda District conducted by 30 June 2025	None	None	Fire Inspection Reports
Disaster Risk Management	Good Governance	Disaster Risk Management	Nil	1 Firefighting Water Tanker Truck & Equipment procured	Nil	<b>KPI 69</b> Number of Firefighting Water Tanker Truck procured <b>FIRE</b>	Output	-	-	1 Firefighting Water Tanker Truck procured by 30 June 2025	R 4 773 000	PC10084/IA00452/FD10005/FX10010/RX10001/CO10000/3905	<b>ACHIEVED</b> 1 Firefighting Water Tanker Truck procured by 30 June 2025	None	None	Specifications Advert Delivery note Handover Report
Disaster Risk Management	To ensure disaster risk management	Disaster Risk Management	International Disaster Risk Reduction event conducted	International Disaster Risk Reduction event conducted	Nil	<b>KPI 70</b> Number of International Disaster Risk Reduction events held	Output	1 International; Disaster Risk Reduction event conducted by 31	<b>ACHIEVED</b> 1 International; Disaster Risk Reduction event	1 International; Disaster Risk Reduction event conducted by 31	R 391 800 R 306 800	PO10139/IE00042/FD10003/FX10010/RX10001/CO10000/3905	<b>ACHIEVED</b> 1 International; Disaster Risk Reduction event conducted by 31 December 2024	None	None	Reports and Attendance Registers

NATIONAL LG PRIORITIES	BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION															
	ENSURE SUSTAINABLE RESOURCE MANAGEMENT AND USE															
KPA 2	TO PROMOTE GOOD GOVERNANCE															
OUTCOME 9	OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE															
Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
						within Dr. Kenneth Kaunda District conducted <b>DRM</b>		December 2023	conducted by 31 December 2023	December 2024	R 56 000	PO10138/IE000 22/FD10003/FX 10010/RX1000 1/CO10000/390 5				
											R 217 000	PO10138/IE004 62/FD10003/FX 10010/RX1000 1/CO10000/390 5				
											R 85 000					
											R 40 000	PO10010/IE000 42/FD10003/FX 10010/RX1000 1/CO10000/390 5				
											R 45 000	PO10010/IE000 22/FD10003/FX 10010/RX1000 1/CO10000/390 5				

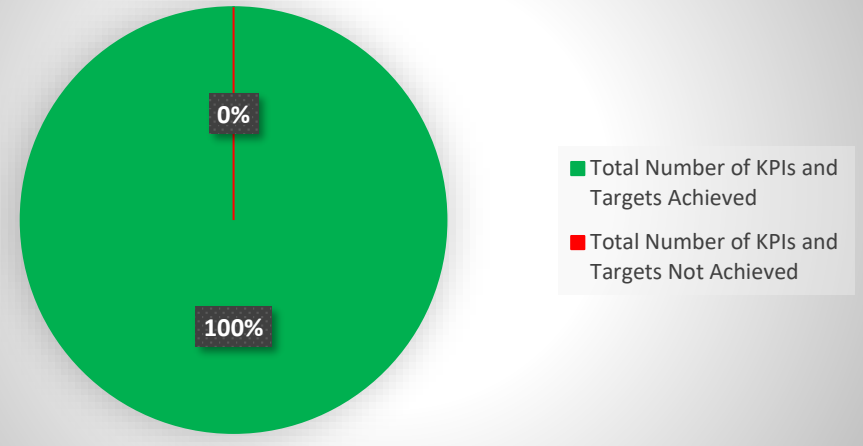
NATIONAL LG PRIORITIES																
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
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OUTPUT 5: TO STRENGTHEN PARTICIPATORY GOVERNANCE																
Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
Fire services	To ensure disaster risk management	Disaster Risk Management	18 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District	18 BESAFE Centre Activities conducted	Nil	KPI 71 Number of BESAFE Centre Activities within Dr. Kenneth Kaunda District conducted <b>DRM</b>	Activity	18 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2024	ACHIEVED 18 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2024	18 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2025	OPEX	-	ACHIEVED 18 BESAFE Centre Activities conducted within Dr. Kenneth Kaunda District by 31 March 2025	None	None	Reports and Attendance Registers
Disaster Risk Management	To ensure disaster risk management	Disaster Risk Management	3 Winter Awareness Campaign conducted	3 Winter Awareness Campaign conducted	Nil	KPI 72 Number of Winter Awareness campaigns within Dr. Kenneth Kaunda District conducted <b>DRM</b>	Activity	3 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2024	ACHIEVED 3 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2024	3 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30 June 2025	R 391 800 R 306 800 R 33 800	PO10139/IE00042/FD10003/FX10010/RX10001/CO10000/3905 PO10138/IE00022/FD10003/FX10010/RX10001/CO10000/3905	ACHIEVED 3 Winter Awareness Campaign conducted within Dr. Kenneth Kaunda District by 30	None	None	1 Report and Attendance Registers
											R 56 000	PO10138/IE00062/FD10003/FX10010/RX10001/CO10000/3905				

NATIONAL LG PRIORITIES																
BUILD A DEVELOPMENTAL STATE, IMPROVE PUBLIC SERVICE AND STRENGTHEN DEMOCRATIC INSTITUTION																
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Functional Area	STRATEGIC OBJECTIVE	MUNICIPAL POWERS & FUNCTION	BASELINE 2023/2024			KEY PERFORMANCE INDICATOR	KPI TYPE	2023/24 COMPARISON		ANNUAL TARGET	BUDGET	MSCOA DESCRIPTION	2024/25 ACTUAL PERFORMANCE	REASON FOR DEVIATION	CORRECTIVE MEASURE	PORTFOLIO OF EVIDENCE
			Current status (Progress to date)	Demand (MFMA Circular 63)	Backlog (MFMA Circular 63)			2023/24 TARGET	2023/24 ACTUAL PERFORMANCE							
										R 217 000	PO10139/IE004 85/FD10003/FX 10010/RX1000 1/CO10000/390 5					
										R 85 000						
										R 40 000	PO10010/IE000 42/FD10003/FX 10010/RX1000 1/CO10000/390 5					
										R 45 000	PO10010/IE000 22/FD10003/FX 10010/RX1000 1/CO10000/390 5					
Disaster Risk Management	Good Governance	Disaster Risk Management	4 Disaster Advisory Forums conducted	4 Disaster Advisory Forums conducted	Nil	<b>KPI 73</b>  Number of Disaster Advisory Forums Conducted <b>DRM</b>	Activity	4 Disaster Advisory Forums Conducted by 30 June 2024	<b>ACHIEVED</b>  4 Disaster Advisory Forums Conducted by 30 June 2024	4 Disaster Advisory Forums Conducted by 30 June 2025	OPEX	OPEX	<b>ACHIEVED</b>  4 Disaster Advisory Forums Conducted by 30 June 2025	None	None	Reports and Attendance Registers

### SUMMARY OF SPATIAL RATIONALE



### ACHIEVEMENT TOTAL



### 3.1.7 DISCLOSURE OF REVISED KEY PERFORMANCE INDICATORS

#### BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

ORIGINAL KEY PERFORMANCE INDICATOR	REVISED KPI	ANNUAL TARGET	REVISED ANNUAL TARGET	QUARTERLY TARGET		REVISED QUARTERLY TARGET		ACTUAL PERFORMANCE	REASONS FOR REVISION
				Q3	Q4	Q3	Q4		
<b>KPI 9</b> Number of total Traffic Counts Completed in JB Marks and Maquassi Hills PLN	n/a	60 Traffic Counts Completed within JB Marks and Maquassi Hills by 31 March 2025	n/a	Q3	25 Traffic Counts completed in Maquassi Hills by 31 March 2025	Q3	n/a	n/a	KPI removed from the SDBIP, as the department is not conducting traffic counts. Correction of error, the KPI was erroneously included in the SDBIP, the 2024/25 RRAMS allocation does not cater for traffic counts
				Q4	None	Q4	n/a	n/a	
<b>KPI 10</b> Number of road structures assessed (Bridges and Culverts) PLN	n/a	94 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (34 bridges and 60 culverts)	76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (10 bridges and 66 culverts)	Q3	None	Q3	None	n/a	Some of the structures were erroneously counted twice, and had to be corrected during the revision of the SDBIP. (Correction of error)
				Q4	94 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (34 bridges and 60 culverts)	Q4	76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (10 bridges and 66 culverts)	<b>ACHIEVED</b>  76 Road structures assessed within Dr Kenneth Kaunda DM by 30 June 2025  (10 bridges and 66 culverts)	
<b>KPI 11</b> Number of pumps retrofitted to reduce electricity consumption within Maquassi Hills LM PLN	n/a	5 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025  (3 Water Pumps & 2 Raw Sewerage pumps)	4 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025  (3 Water Pumps & 1 Raw Sewerage pumps)	Q3	None	Q3	None	n/a	The target was reduced from 5 to 4, due to the undertaking by Maquassi-Hills LM to retrofit 1 pump
				Q4	5 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025  (3 Water Pumps & 2 Raw Sewerage pumps)	Q4	4 pumps retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025  (3 Water Pumps & 1 Raw Sewerage pumps)	<b>NOT ACHIEVED</b>  4 pumps <b>NOT</b> retrofitted to reduce electricity consumption within Maquassi Hills LM by June 2025	

#### MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

ORIGINAL KEY PERFORMANCE INDICATOR	REVISED KPI	ANNUAL TARGET	2 <sup>nd</sup> REVISED ANNUAL TARGET	QUARTERLY TARGET		REVISED QUARTERLY TARGET		ACTUAL PERFORMANCE	REASONS FOR REVISION
				Q3	Q4	Q3	Q4		
<b>KPI 21</b> Number of Air-conditioning units procured CS	n/a	10 Air-conditioning units procured by 31 December 2024	None	Q3	None	Q3	None	n/a	KPI removed due to the Budget Adjustment downward
				Q4	None	Q4	None	n/a	
<b>KPI 23</b> Number of telephone system procured ICT CS	n/a	Telephone system procured by 30 June 2025	None	Q3	Infrastructure installation and configuration by 31 March 2025	Q3	None	n/a	KPI removed due to the Budget Adjustment downward
				Q4	Telephone system procured by 30 June 2025	Q3	None	n/a	

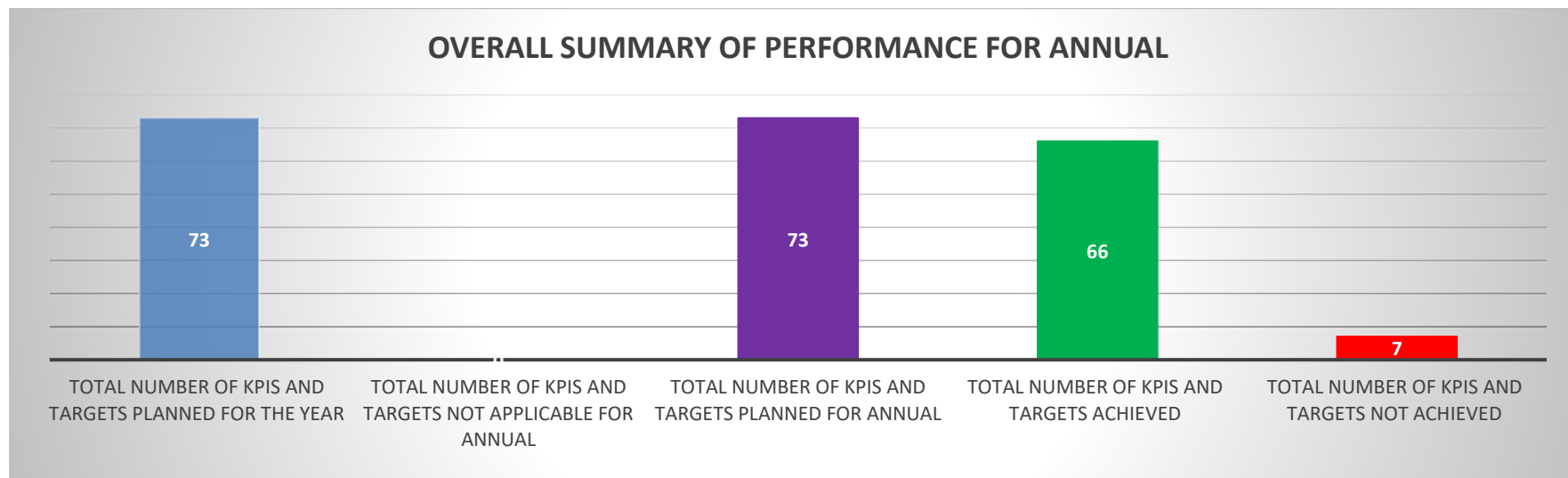
## LOCAL ECONOMIC DEVELOPMENT

ORIGINAL KEY PERFORMANCE INDICATOR	REVISED KPI	ANNUAL TARGET	REVISED ANNUAL TARGET	QUARTERLY TARGET		REVISED QUARTERLY TARGET		ACTUAL PERFORMANCE	REASON FOR REVISION
				Q3	Q4	Q3	Q4		
<b>KPI 30</b> Number of Enterprise Development Initiatives supported  LED	None	2 Enterprise Development Initiatives supported within Dr. Kenneth Kaunda District by 30 June 2025	None	Q3	None	Q3	None	n/a	KPI removed due to alternative planning and rescheduling of the intended symposium and related training.
				Q4	1 Enterprise Development Initiative within Dr. Kenneth Kaunda District by 30 June 2025  #Training and Skills Development program	Q4	None	n/a	
<b>KPI 31</b> Number of Economic Development Initiatives supported / implemented within Dr Kenneth Kaunda District Municipality  LED	None	2 Economic Development Initiatives supported / implemented within Dr Kenneth Kaunda District Municipality by 30 June 2025	None	Q3	None	Q3	None	n/a	KPI removed due to delays in finalizing engineering designs and related issues.
				Q4	2 Economic Development Initiatives supported / implemented by 30 June 2025  #1 FSPU linked to Agri-Parks established within DrKKDM  #Support an SMME Hub / Light Industrial Park	Q4	None	n/a	
<b>KPI 32</b> Number of SMMEs/Cooperatives Businesses supported through conditional grants within Dr. Kenneth Kaunda District  LED	None	50 SMMEs/Cooperatives Businesses supported through conditional grants within Dr. Kenneth Kaunda District by 31 December 2024	None	Q3	None	Q3	None	n/a	KPI removed due to funds being redirected to pressing issues.
				Q4	None	Q4	None	n/a	

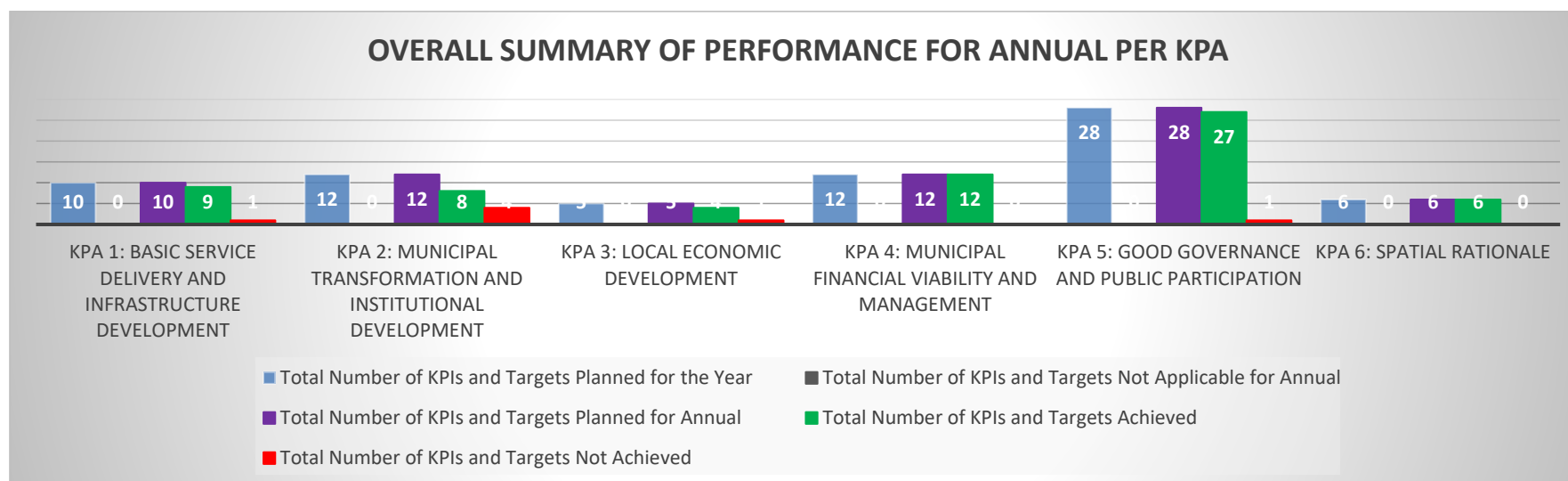
## SPATIAL RATIONALE

ORIGINAL KEY PERFORMANCE INDICATOR	REVISED KPI	ANNUAL TARGET	REVISED ANNUAL TARGET	QUARTERLY TARGET		REVISED QUARTERLY TARGET		ACTUAL PERFORMANCE	REASON FOR REVISION
				Q3	Q4	Q3	Q4		
KPI 75 Number of Digital Two-Way Sim Based Emergency Radio Communication System procured FIRE	None	40 Digital Two-Way Sim Based Emergency Radio Communication System procured by 30 June 2025	None	Q3	None	Q3	None	n/a	KPI removed due to the Budget Adjustment downward
				Q4	40 Digital Two-Way Sim Based Emergency Radio Communication System procured by June 2025	Q4	None	n/a	
KPI 77 Number of Fire Bay Doors installed FIRE	None	4 Fire Bay Doors installed by 30 June 2025	None	Q3	None	Q3	None	n/a	KPI removed due to the Budget Adjustment downward
				Q4	4 Fire Bay Doors installed by 30 June 2025	Q4	None	n/a	
KPI 83 Number of Disaster Management Spatial System procured DRM	None	1 Disaster Management Spatial System procured by 30 June 2025	None	Q3	None	Q3	None	n/a	KPI removed due to the Budget Adjustment downward
				Q4	1 Disaster Management Spatial System procured by 30 June 2025	Q4	None	n/a	

## SUMMARY OF OVERALL PERFORMANCE



## SUMMARY OF OVERALL PERFORMANCE PER KPA



### 3.2 SERVICE PROVIDER ASSESSMENT FOR THE 2024/25 FINANCIAL YEAR

OFFICE OF THE MUNICIPAL MANAGER ANNUAL PERFORMANCE ASSESSMENT OF SERVICE PROVIDERS 2024/2025 FINANCIAL YEAR												
Project Name	Name of Service Provider	Source of Funding	Start Date	Completion Date	Progress to Date	Challenges and Interventions	Assessment of Service Provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 – Excellent					Assessment Comments
							2024/2025	Q 1	Q 2	Q 3	Q4	
KKDM 16/22 – Supply, Delivery and Installation and Maintenance of an Automated Performance Management System for Dr KKDM for a period of three (3) years	Innovation Government Software Solutions	Own Funding	04-08-2023	03/08-2026	Ongoing	None	-	3	4	4	4	-

CORPORATE SERVICES ANNUAL PERFORMANCE ASSESSMENT OF SERVICE PROVIDERS 2024/2025 FINANCIAL YEAR												
Project Name	Name of Service Provider	Source of Funding	Start Date	Completion Date	Progress to Date	Challenges and Interventions	Assessment of Service Provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 – Excellent					Assessment Comments
							2024/2025	Q 1	Q 2	Q 3	Q4	
Building Hire	Old Mutual Property / Columbia Falls Properties 80 (Pty) Ltd	Own funding	01-07-2021	Month to Month	Ongoing	None	-	2	2	2	2	-
Building Hire	City of Matlosana	Own funding	01-02-2002	Month to Month	Ongoing	None	-	2	2	2	2	-

Telephone System	Samsung	Own funding	13-05-2018	Month to Month	Ongoing	None	-	3	3	3	3	-
KKDM 20/22 Appointment of panel of attorneys for DR KKDM for the period of 3 years (as and when required)	Lizel Venter Attorneys	Own funding	06-07-2023	05-07-2026	Ongoing	None	-	3	4	4	4	-
KKDM 20/22 Appointment of panel of attorneys for DR KKDM for the period of 3 years (as and when required)	M E Tiou INC	Own funding	06-07-2023	05-07-2026	Ongoing	None	-	-	-	-	4	-
KKDM 20/22 Appointment of panel of attorneys for DR KKDM for the period of 3 years (as and when required)	Shuping Attorneys	Own funding	06-07-2023	05-07-2026	Ongoing	None	-	-	-	-	4	-
KKDM 20/22 Appointment of panel of attorneys for DR KKDM for the period of 3 years (as and when required)	Modiboa Attorneys INC	Own funding	06-07-2023	05-07-2026	Ongoing	None	-	-	4	-	4	-
KKDM 02/22 Tender for the Provision of Security Services for Various Municipal Sites for a period of three (3) years-	Pono Security	Own funding	29-09-2022	28-09-2025	Ongoing	None	-	4	4	4	4	-
KKDM 08/24 Supply, Delivery, Installation and Maintenance of Laptops, Desktop Computers, Tablets, Various Computer Equipment's and Software to DR Kenneth Kaunda District Municipality On An As-And-When Required Basis For a Period of 36 Months from the date of Appointment	Entabeni Security	Own funding	14-04-2025	13-04-2028	Ongoing	None	-	-	-	-	4	-
KKDM 10/23 Request for Proposals for Appointment of Panel of Accredited Training Providers for the provision of training and skills programme for the DR Kenneth Kaunda District Municipality for the period of (03) three years	TPLR AND TRADING	Own funding	07-06-2024	06-06-2027	Ongoing	None	-	-	-	-	4	-
KKDM 01/22 Supply and Maintenance of Photocopiers for Dr Kenneth Kaunda District Municipality for a period of three (3) years	Hestifusion (Pty) Ltd T/A Nashua North west	Own funding	15-12-2022	14-12-2025	Ongoing	None	-	4	4	3	3	-

**BUDGET AND TRESURE  
ANNUAL PERFORMANCE ASSESSMENT OF SERVICE PROVIDERS  
2024/2025 FINANCIAL YEAR**

Name of Service Provider	Name of Service Provider	Source of Funding	Start Date	Completion Date	Progress to Date	Challenges and Interventions	Assessment of Service Provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 - Excellent					Assessment Comments
							2024/2025	Q 1	Q 2	Q 3	Q4	
KKDM 10/21 Tender for Appointment of a Service Provider to Manage and Provide Short Term Insurance Cover for the Assets and Liabilities of Dr. Kenneth Kaunda District Municipality for a period of 3 years	Lateral Unison Insurance Brokers	Own funding	01-12-2021	30-11-2024	Ongoing	none	-	4	4	4	4	-
KKDM 08/22: Supply, delivery and maintenance of an integrated Financial Management System for a period of three (3) years	Kosh Consulting Jv	Own funding	15-12-2022	14-12-2025	Ongoing	None	-	3	3	3	3	-
KKDM 11/22 The appointment of a panel of travel agencies, to arrange travel and accommodation facilities for Dr Kenneth Kaunda District Municipality for a period of 3 years	Reakgona Travel	Own funding	06-03-2023	05-03-2026	Ongoing	None	-	4	4	4	4	-
- KKDM 11/22 The appointment of a panel of travel agencies, to arrange travel and accommodation facilities for Dr Kenneth Kaunda District Municipality for a period of 3 years	Zimasa Travel	Own funding	06-03-2023	05-03-2026	Ongoing	None	-	-	4	4	4	-

<p>KKDM 11/22 The appointment of a panel of travel agencies, to arrange travel and accommodation facilities for Dr Kenneth Kaunda District Municipality for a period of 3 years</p>	<p>Africa and Beyond Travel</p>	<p>Own funding</p>	<p>06-03-2023</p>	<p>05-03-2026</p>	<p>Ongoing</p>	<p>None</p>	<p>-</p>	<p>4</p>	<p>4</p>	<p>4</p>	<p>4</p>	<p>-</p>
<p>KKDM 12/22 Appointment of a panel of competent service providers registered on the National Central Supplier Database for the supply and delivery of goods and services for Dr Kenneth Kaunda District Municipality for a period of 36 months (as and when required)</p>	<p>Ina Ethe Dreams General Dealer</p>	<p>Own Funding</p>	<p>06-03-2023</p>	<p>05-03-2026</p>	<p>Ongoing</p>	<p>None</p>	<p>-</p>	<p>4</p>	<p>4</p>	<p>-</p>	<p>-</p>	<p>-</p>
<p>KKDM 12/22: Appointment of a panel of competent service providers registered on the National Central Supplier Database for the supply and delivery of goods and services for Dr Kenneth Kaunda District Municipality for a period of 36 months (as and when required)</p>	<p>About Profit (Pty) Ltd</p>	<p>Own Funding</p>	<p>06-03-2023</p>	<p>05/03/2026</p>	<p>Ongoing</p>	<p>None</p>	<p>-</p>	<p>4</p>	<p>4</p>	<p>-</p>	<p>-</p>	<p>-</p>
<p>KKDM 24/22 Appointment of a service provider for updating of GRAP asset register for Dr Kenneth Kaunda District Municipality for a period of 3 years</p>	<p>Kreston North West</p>	<p>Own Funding</p>	<p>10-07-2023</p>	<p>09-07-2023</p>	<p>Ongoing</p>	<p>None</p>	<p>-</p>	<p>4</p>	<p>4</p>	<p>-</p>	<p>4</p>	<p>-</p>

**LED AND PLANNING  
ANNUAL PERFORMANCE ASSESSMENT OF SERVICE PROVIDERS  
2024/2025 FINANCIAL YEAR**

Name of Service Provider	Name of Service Provider	Source of Funding	Start Date	Completion Date	Progress to Date	Challenges and Interventions	Assessment of Service Provider (Scale 1-5) 1 - Poor 2 - Fair 3 - Average 4 - Good 5 – Excellent					Assessment Comments
							2024/2025	Q 1	Q 2	Q 3	Q4	
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Nalko Engineering & Projects	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	4	4	4	4	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Dirabolte Project	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	4	-	4	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Nevhutalu Consulting Engineers	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Mont Consulting Engineers	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	4	-	-

KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	King and Associates	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Kabe Consulting Engineers	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 21/22 Appointment of a panel of professional service providers (architecture/town & regional planner/ programme management and scientific services) for DRKKDM for three years	Sea Projects & engineering (Pty) Ltd	Own funding	2023/08/15	2026/08/14	Ongoing	None	-	-	-	-	4	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Civibiz Group	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 08/21 Appointment of service provider for the supply and delivery of protective clothing for EPWP workers on as and when basis to DR KKDM for a period of 36 months	Masethole developers	Own funding	13-01-2022	12-01-2025	Ongoing	None	-	-	-	-	-	-
KKDM 08/21 Appointment of service provider for the supply and delivery of protective clothing for EPWP workers on as and when basis to DR KKDM for a period of 36 months	Motambe Cleaning Services	Own funding	13-01-2022	12-01-2025	Ongoing	None	-	-	-	-	-	-

KKDM 04/22 Appointment of a panel of service providers for the supply and delivery of dry sanitation material (bottom and top structure) at rural areas within the Dr Kenneth Kaunda District Municipality on and when basis for the period of three years	Mtshepana Trading	Own Funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 04/22 Appointment of a panel of service providers for the supply and delivery of dry sanitation material (bottom and top structure) at rural areas within the Dr Kenneth Kaunda District Municipality on and when basis for the period of three years-	Hope Sends Trading	Own Funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM 01/23 Appointment of a panel of service providers to supply, deliver and maintain rental chemical mobile toilets at selected informal settlements around DRKKDM for 36 months	Dilaga Trading	Own funding	2024/01/13	2027/01/12	Ongoing	None	-	-	-	-	-	-
KKDM 01/23 Appointment of a panel of service providers to supply, deliver and maintain rental chemical mobile toilets at selected informal settlements around DRKKDM for 36 months	Lead Time 121	Own funding	2024/01/13	2027/01/12	Ongoing	None	-	-	-	-	-	-
KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	Sodara Trading	Own funding	2023/12/20	20/12/19	Ongoing	None	-	-	-	-	-	-
KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	EK Construction	Own funding	2023/12/20	2026/12/19	Ongoing	None	-	-	-	-	-	-

KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	Khuwait Group	Own funding	2023/12/20	2026/12/19	Ongoing	None	-	-	-	-	-	-
KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	Marope 337 Trading Enterprise	Own funding	2023/12/20	2026/12/19	Ongoing	None	-	-	-	-	-	-
KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	Mo-Tyro	Own funding	2023/12/20	2026/12/19	Ongoing	None	-	-	-	-	-	-
KKDM 22/23 Appointment of a panel of service providers for the hiring of yellow fleet for different activities around DRKKDM for a period of 36 months	Reabetswe Bophelo trading enterprise	Own funding	2023/12/20	2026/12/19	Ongoing	none	-	-	-	-	-	-
KKDM 05/22 Appointment of a Panel of Professional Service Providers (Architectural/ Civil/ Structural/ Electrical/ Mechanical/ Geotechnical) for inclusion in a Database for Dr Kenneth Kaunda District Municipality for three (3) years	Skotana Development	Own funding	25-11-2022	24-11-2025	Ongoing	None	-	-	-	-	-	-
KKDM Expression interest to register on the panel of contractors (CIBD Grade 1-4 GB/CE/EP/EB/ME/SF/SO/S Q/SN on as and when basis for DR Kenneth Kaunda District Municipality for the period of three years	Reabetswe Bophelo trading enterprise	Own funding	08-04-2025	07-04-2028	Ongoing	None	-	-	-	-	4	-
KKDM Expression interest to register on the panel of contractors (CIBD Grade 1-4 GB/CE/EP/EB/ME/SF/SO/S	Kwende Construction	Own funding	08-04-2025	07-04-2028	Ongoing	None	-	-	-	-	4	-

Q/SN on as and when basis for DR Kenneth Kaunda District Municipality for the period of three years													
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## 4. CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

### 4.1. COMPONENT A: INTRODUCTION TO THE MUNICIPAL WORKFORCE

#### INTRODUCTION

Corporate Service strategic intent is to provide outstanding administrative support services to the entire municipality by ensuring effective records management, efficient committee management in all council meetings excellent human resource function and overall good governance. There are 3 units within the department, Administration, Legal and Human Resources.

#### TOTAL NUMBER OF EMPLOYEES, STAFF TURNOVER AND VACANCIES

Human Resources Unit is a division that falls under the Corporate Services Department. It plays a critical role in the Organisation in respect of talent attraction, terminations, declaration of employees to UIF, leave administration, Employment Equity, HR Resources information management system, employee benefits, Long service recognition and HR policy development. It largely reinforces the white paper in HRM which requires Human resources in Public Sector (including Local Government) to be managed, utilized and maintained efficiently and effectively. This approach would allow Dr. Kenneth Kaunda District Municipality to manage within nationally defined parameters its own employee.

#### TOTAL NUMBER OF EMPLOYEES

Department	Total No 2023/24	Total No 2024/25	Males 2023/24	Males 2024/25	Females 2023/24	Females 2024/25
Office of the Executive Mayor	10	10	5	6	5	4
Office of the Speaker	6	6	4	4	2	2
Office of the Single Whip	3	3	2	2	1	1
MPAC Office	1	1	0	0	1	1
Office of the Municipal Manager	16	18	11	12	5	6
Corporate Support Services & ICT	30	33	11	13	19	20
Budget and Treasury Office	18	20	8	9	10	11
LED & Planning	14	16	8	7	6	9
Community Services	72	81	29	36	43	45
<b>TOTAL</b>	<b>162</b>	<b>188</b>	<b>79</b>	<b>89</b>	<b>93</b>	<b>99</b>

**CONTRACT WORKERS**

Department	Total No 2023/24	Total No 2024/25	Males 2023/24	Males 2024/25	Females 2023/24	Females 2024/25
Office of the Executive Mayor	0	0	0	0	0	0
Office of the Speaker	4	4	3	3	1	1
Office of the Single Whip	1	2	1	2	0	0
Office of the Municipal Manager	1	0	0	0	1	0
Corporate Support Services & ICT	5	0	1	0	4	0
Budget and Treasury Office	1	0	0	0	1	0
Community Services	0	0	0	0	0	0
<b>TOTAL</b>	<b>11</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>1</b>

Total Appointments during Financial Year 2024/25 = 0  
 Resignations during Financial Year 2024/25 = 0  
 Termination during Financial Year 2024/25= 7

**STATUS OF SENIOR MANAGERS APPOINTMENTS**

*The below table indicates the status of Senior Managers appointments in the Dr Kenneth Kaunda DM (Status as at end June 2025)*

Designation	Status
Municipal Manager	Filled
Corporate Services & ICT	Vacant
Chief Financial Officer	Vacant
Senior Manager: Community Services	Filled
Senior Manager: LED and Planning	Filled
Chief Audit Executive	Filled

## 4.2. COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Policies were workshopped and approved in the 2020/21 financial year

### POLICIES

POLICY	STATUS	DATE OF ADOPTION	COUNCIL RESOLUTION	REVIEW
<b>2022</b>				
<ul style="list-style-type: none"> <li>• Subsistence Accommodation and Travelling Allowance Policy</li> <li>• PMS Policy Framework</li> <li>• Cellphone Allowance Policy</li> <li>• Asset Management Policy</li> <li>• Donation, Gifts, Sponsorships Policy</li> <li>• Funding And Reserves Policy</li> <li>• Local Economic Development (LED) Strategy</li> <li>• Supply Chain Management Policy</li> <li>• Cash Management and Investment Policy</li> <li>• Danger Allowance Policy</li> <li>• Municipal Budget and Virement Policy</li> <li>• Policy On Borrowing</li> </ul>	<p>Wednesday, 06<sup>th</sup> April 2022 to Thursday, 07<sup>th</sup> April 2022.</p>	<p><u>ITEM A.165/07/2022 (ITEM MAYORAL.143/07/2022)</u></p>	<p><u>ITEM A.165/07/2022 (ITEM MAYORAL.143/07/2022) REQUEST FOR APPROVAL OF REVIEWED AND WORKSHOPPED MUNICIPAL POLICIES AND STRATEGIES</u></p> <p><b>ADCS</b> <b>1/1/R</b> <b><u>THEREFORE RESOLVED</u></b></p> <ul style="list-style-type: none"> <li>• That the Municipal Council takes cognisance of the Policy Workshop that took place on the Wednesday, 06<sup>th</sup> April 2022 to Thursday, 07<sup>th</sup> April 2022 in the Municipal Council Chamber;</li> <li>• That the draft policies that were workshopped be provided to the Councillors to convene a Special Municipal Council for consideration and adoption of the draft policies;</li> <li>• That the Municipal Council approves and adopts the Performance Management System; and Policy Framework Educational and Procedure Manual 2022/2023; and</li> <li>• That the approved and adopted policies and strategic documents be signed off by the Executive Mayor and Municipal Manager (Accounting Officer) for implementation.</li> </ul>	<p>Annually</p>

<ul style="list-style-type: none"> <li>• Corporate Governance of Information and Communication</li>   <li>• Technology Policy Framework</li>   <li>• Information Security Policy</li>   <li>• EPWP Policy</li>   <li>• Indigent Burials Policy (Funerals)</li>   <li>• Municipal Staff Regulations</li>   <li>• Risk Management Policy</li> </ul>			<p><b><u>HUMAN RESOURCES MANAGEMENT</u></b></p> <ul style="list-style-type: none"> <li>• Subsistence Accommodation and Travelling Allowance Policy</li> <li>• Cellphone Allowance</li> <li>• Danger Allowance Policy</li> <li>• Municipal Staff Regulations</li> <li>• Corporate Governance of Information and Communication</li> <li>• Technology Policy Framework</li> <li>• Information Security Policy</li> </ul> <p><b><u>BUDGET RELATED POLICIES</u></b></p> <ul style="list-style-type: none"> <li>• Asset Management Policy</li> <li>• Funding And Reserves Policy</li> <li>• Supply Chain Management</li> <li>• Policy</li> <li>• Cash Management and Investment Policy</li> <li>• Municipal Budget and Virement Policy</li> <li>• Policy On Borrowing</li> </ul> <p><b><u>OFFICE OF THE EXECUTIVE MAYOR</u></b></p> <ul style="list-style-type: none"> <li>• Indigent Burials Policy (Funerals)</li> <li>• Donation, Gifts, Sponsorships Policy</li> </ul> <p><b><u>OFFICE OF THE MUNICIPAL MANAGER</u></b></p> <ul style="list-style-type: none"> <li>• Risk Management Policy</li> <li>• Performance Management Policy Framework</li> </ul> <p><b><u>DIRECTORATE: MUNICIPAL HEALTH AND ENVIRONMENTAL MANAGEMENT SERVICES</u></b></p> <ul style="list-style-type: none"> <li>• Indigents/Pauper</li> </ul>
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			(Funeral) Policy  <b><u>DIRECTORATE: INFRASTRUCTURE AND DEVELOPMENT SERVICES</u></b>  EPWP Policy  <b><u>DISTRICT ECONOMIC AN DEVELOPMENT AND TOURISM</u></b>  Local Economic Development (LED) Strategy	
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## INJURIES, SICKNESS AND SUSPENSIONS

In terms of Section 8 of the Occupational Health and Safety Act, 85 of 1993 (OHS Act) the employer has a responsibility to provide and maintain, as far as reasonably practicable, a working environment that is safe and without risk to the health of employees. Regular inspections, assessments surveys and audits must also be conducted on buildings and equipment to ensure the environment stays healthy, safe and without risk for all employees within the Municipality as well as to ensure legal compliance with the Occupational Health and Safety Act.

Number and Cost of Injuries on Duty					
Type of Injury	Nr of Injuries	Employees Using Injury Leave	Average Injury Leave per Employee	Physio/Therapist Sessions attended by Employees	Total Estimated Costs
Required basic medical attention	6	52	8.6	27	The compensation Fund covers all medical costs
Temporary disablement	-	-	-	-	
Permanent disablement	-	-	-	-	
Fatal	-	-	-	-	
<b>Total</b>	6	52	8.6	27	

Salary band	Total sick leave days	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post	Average sick leave per employees' days
Municipal Manager		none	none	1	
Directors	3	none	1	4	0.75
Managers	105	1	8	20	5.25
Mid- management/ professionals	265	5	16	45	5.8
Skilled Tech/Juniors man	165	9	15	59	2.8
Semi-skilled	116	9	21	30	3.8
Unskilled	165	3	9	20	8.25

NUMBER AND PERIODS OF SUSPENSIONS				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalized
Finance Officer (Economic Agency)	Financial Misconduct	1 June 2023	Employee has been charged. Disciplinary proceedings remain pending.	Not finalised.
Accountant Expenditure	Financial Misconduct	27 February 2023	Employee was charged and disciplinary proceedings are pending.	Not finalised.
Manager Legal Services	Misconduct	8 April 2021	Employee was charged. Disciplinary proceedings were postponed <i>sine die</i> and have remained halted.	Not finalised.
Senior Manager LED & Planning	Misconduct	16 February 2022	Disciplinary proceedings have been halted following a ruling by the chairperson to refer the charges to Financial Misconduct Board. Awaiting report of the Board.	Not finalised.
Senior Manager Community Services	Misconduct	10 May 2023	The employee has been charged and the disciplinary proceedings remain pending.	Not finalised.

## PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary Profile				
	Gender	Total Number of Employees in Group	Number of Beneficiaries	Expenditure on Rewards	Proportion of Beneficiaries within Group
No performance rewards paid during the financial year under review					

**4.3. COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE  
SKILLS DEVELOPMENT AND TRAINING:**

FUNDING SOURCE	PLANNED TRAINING BUDGET		ACTUAL EXPENDITURE		COMMITTED EXPENDITURE	
	EMPLOYED	UNEMPLOYED	EMPLOYED	UNEMPLOYED	EMPLOYED	UNEMPLOYED
Additional Funding (Municipality/Entity, Donor funds, Other Government Funds, etc.)	R770,000.00	R0.00	R676,206.03	R0.00	R93,793.97	R0.00
Discretionary Grant Funds	R800,000.00	R0.00	R414,363.00	R0.00	R385,637.00	R0.00
Mandatory Grant Funds	R200,000.00	R0.00	R0.00	R0.00	R200,000.00	R0.00
<b>Totals</b>	<b>R1,770,000.00</b>	<b>R0.00</b>	<b>R1,090,569.03</b>	<b>R0.00</b>	<b>R679,430.97</b>	<b>R0.00</b>

**NUMBER OF TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, EQUITY AND GENDER as at 1 MARCH 2024 - 30 APRIL 2025 – EMPLOYED**

LGSETA FOCUS AREA	PERFORMANCE AREA	INTERVENTION TYPE	FUND TYPE	OFO CODE	OFO TITLE	EQUITY	GENDER
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2019-111101-8	Councillor	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2019-111101-8	Councillor	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2019-111101-8	Councillor	African	Male

Enhancing Infrastructure and Service delivery	Basic Service Delivery and Infrastructure Development	Bursary	Internal Funds and Mandatory Grants	2019-111101-8	Councillor	White	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-134402	Manager: Office of the Single Whip	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-334302-2	Administration	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-334302-2	PA / Secretary	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2017-334102	Military Veterans Coordinator	African	Male
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Bursary	Internal Funds and Mandatory Grants	2021-334302-2	PA / Secretary	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-242102	Community Liaison Officer	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-334101	MMC Support	African	Male
Enhancing Infrastructure and Service delivery	Basic Service Delivery and Infrastructure Development	Bursary	Internal Funds and Mandatory Grants	2021-412101-2	Driver: EM	African	Male

Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-334302-2	Admin Secretary	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-242102	Disability and HIV/AIDS Facilitator	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-134402	Head of Office	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-334302-2	PA to the Speaker	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-243201	Public Participation Officer	African	Male
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Bursary	Internal Funds and Mandatory Grants	2021-431101-2	Creditors Clerk	African	Female
Enhancing Infrastructure and Service delivery	Basic Service Delivery and Infrastructure Development	Skills Programme	Internal Funds and Mandatory Grants	2021-671202	Artisan Building	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-242303-11	Senior HRD	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-684401	Assistant Pest Control Officer	African	Male
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Skills Programme	Internal Funds and Mandatory Grants	2021-242303-10	Manager: Human Resources	African	Male

Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Skills Programme	Internal Funds and Mandatory Grants	2021-441501-8	Records Clerk	African	Male
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2019-262202-5	Senior Records Officer	White	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary	Internal Funds and Mandatory Grants	2021-441501-8	Records Officer	White	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Learnership	LGSETA Discretionary Grant funded	2021-441601	Human Resources Clerk	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Learnership	LGSETA Discretionary Grant funded	2021-411101-9	Committee Clerk	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Learnership	LGSETA Discretionary Grant funded	2021-411101-9	Committee Clerk	African	Female
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Bursary and Skills Programme	Internal Funds and Mandatory Grants	2021-134507	Chief Audit Executive	African	Male

## Competency Assessment of Finance Officials

<b>FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT</b>						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated : Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated : Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
Accounting officer	1		1	1	1	1
Chief financial officer	1		1	1	1	1
Senior managers	4		4	2	4	4
<b>Supply Chain Management Officials</b>						
Heads of supply chain management units	1		1	1		
Supply chain management senior managers	1		1	1		
<b>TOTAL</b>	<b>9</b>		<b>9</b>	<b>6</b>	<b>6</b>	<b>6</b>

### 4.4. COMPONENT D: MANAGING MUNICIPAL WORKFORCE EXPENDITURE

<b>NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED</b>		
Beneficiaries	Gender	Total
There was no employee whose salary was increased due to their position being upgraded during the year under review		

<b>EMPLOYEES APPOINTED TO POSTS NOT APPROVED</b>				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
There was no employee who was appointed on posts not approved during the year under review				

## **5. CHAPTER 5: FINANCIAL PERFORMANCE**

To be updated in January 2025 before the tabling of the Annual Report

This Chapter contains information regarding financial performance and highlights specified accomplishments. The Chapter comprises of the following components;

**Component A: Budget Summary**

**Component B: Statement of Financial Performance**

**Component C: Statement of Financial Position**

**Component D: Cash Flow**

**Component E: Grants**

**Component F: Financial Ratios**

## 5.1. COMPONENT A: BUDGET SUMMARY

DC40 Dr Kenneth Kaunda - Table A1 Budget Summary

Description	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	-	-	-	8 980	8 980	8 980	502	9 500	9 937	10 374
Transfer and subsidies - Operational	-	-	-	46 216	46 216	46 216	942	45 176	43 076	40 892
Other own revenue	-	-	-	185 976	186 286	186 286	150	193 795	202 156	211 295
	-	-	-	241 172	241 482	241 482	1 594	248 471	255 169	262 562
<b>Total Revenue (excluding capital transfers and contributions)</b>										
Employee costs	-	-	-	134 490	138 748	138 748	11 717	144 713	151 370	158 030
Remuneration of councillors	-	-	-	13 192	13 192	13 192	996	13 588	14 213	14 838
Depreciation and amortisation	-	-	-	-	7 184	6 989	-	7 184	7 514	7 648
Interest	-	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	-	-	5 055	4 430	4 430	442	4 200	4 393	4 587
Transfers and subsidies	-	-	-	4 530	1 900	1 900	85	4 250	4 446	4 641
Other expenditure	-	-	-	76 509	81 673	81 673	4 103	73 496	71 299	69 617
<b>Total Expenditure</b>	-	-	-	240 959	247 127	246 932	17 342	247 430	253 235	259 361
<b>Surplus/(Deficit)</b>	-	-	-	213	(5 645)	(5 450)	(15 748)	1 041	1 935	3 200
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	-	-	213	(5 645)	(5 450)	(15 748)	1 041	1 935	3 200
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	-	-	-	213	(5 645)	(5 450)	(15 748)	1 041	1 935	3 200
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - capital	-	-	-	29 950	19 160	19 160	960	13 850	8 650	4 830
	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	29 950	19 160	19 160	960	13 850	8 650	4 830
<b>Total sources of capital funds</b>	-	-	-	29 950	19 160	19 160	960	13 850	8 650	4 830
<b>Financial position</b>										
Total current assets	-	-	-	20 862	(96 057)	(96 057)	192 678	31 527	3 203	12 248

Total non current assets	-	-	-	148 361	87 495	87 495	112 948	47 434	7 834	3 971
Total current liabilities	-	-	-	288 443	54 075	54 075	88 392	(14 768)	(318)	(3 510)
Total non current liabilities	-	-	-	-	(17 106)	(17 106)	17 106	(17 106)	-	-
Community wealth/Equity	-	-	-	-	-	-	-	-	-	-
<b>Cash flows</b>										
Net cash from (used) operating	-	-	-	(29 304)	(16 646)	(16 646)	(2 835)	8 224	9 449	10 847
Net cash from (used) investing	-	-	-	(29 950)	(19 160)	(19 160)	(960)	(13 850)	(8 650)	(4 830)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	-	-	-	(1 274)	2 770	2 770	3 678	32 950	33 749	39 766
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	-	-	-	58 100	38 696	38 696	7 473	38 696	32 950	33 749
Application of cash and investments	-	-	-	26 188	24 609	24 609	(23 986)	21 946	(4 446)	(4 641)
<b>Balance - surplus (shortfall)</b>	-	-	-	31 912	14 087	14 087	31 460	16 750	37 396	38 390
<b>Asset management</b>										
Asset register summary (WDV)	-	-	-	29 950	19 160	19 160	12 750	12 750	8 800	4 980
Depreciation	-	-	-	6 989	6 989	6 989	6 989	6 989	7 310	7 436
Renewal and Upgrading of Existing Assets	-	-	-	-	-	-	2 000	2 000	2 000	1 600
Repairs and Maintenance	-	-	-	3 500	2 600	2 900	3 530	3 530	3 214	2 998
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

## 5.2. COMPONENT B: STATEMENT OF FINANCIAL PERFORMANCE

DC40 Dr Kenneth Kaunda - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		-	-	-	232 309	231 969	231 969	238 076	246 793	257 990
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	232 309	231 969	231 969	238 076	246 793	257 990
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	650	1 300	1 300	1 300	1 360	1 420
Community and social services		-	-	-	650	1 300	1 300	1 300	1 360	1 420
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	8 213	8 213	8 213	9 095	7 016	3 152
Planning and development		-	-	-	8 213	8 213	8 213	9 095	7 016	3 152
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	-	-	241 172	241 482	241 482	248 471	255 169	262 562
<b>Expenditure - Functional</b>	-									
<b>Governance and administration</b>		-	-	-	143 521	148 996	148 996	143 000	147 036	153 076
Executive and council		-	-	-	67 373	69 050	69 050	66 087	69 127	72 166
Finance and administration		-	-	-	68 218	72 219	72 219	69 232	69 874	72 522
Internal audit		-	-	-	7 931	7 727	7 727	7 681	8 035	8 388
<b>Community and public safety</b>		-	-	-	62 079	63 447	63 447	66 280	69 329	72 380
Community and social services		-	-	-	62 079	63 447	63 447	66 280	69 329	72 380
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-

Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	<b>35 358</b>	<b>34 684</b>	<b>34 684</b>	<b>38 150</b>	<b>36 870</b>	<b>33 906</b>
Planning and development		-	-	-	35 358	34 684	34 684	38 150	36 870	33 906
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	-	-	<b>240 959</b>	<b>247 127</b>	<b>247 127</b>	<b>247 430</b>	<b>253 235</b>	<b>259 361</b>
<b>Surplus/(Deficit) for the year</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 645)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>

## EXPENDITURE PERFORMANCE (REVENUE & EXPENDITURE)

DC40 Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	-	-	-	-	-	-	-	-	-	-
Sale of Goods and Rendering of Services		-	-	-	200	150	150	(1)	120	126	131
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		-	-	-	8 980	8 980	8 980	502	9 500	9 937	10 374
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	250	262	273
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	320	30	30	-	30	31	33
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences or permits		-	-	-	650	1 300	1 300	10	1 300	1 360	1 420

Transfer and subsidies - Operational		-	-	-	46 216	46 216	46 216	942	45 176	43 076	40 892
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	184 806	184 806	184 806	141	192 095	200 378	209 439
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	<b>241 172</b>	<b>241 482</b>	<b>241 482</b>	<b>1 594</b>	<b>248 471</b>	<b>255 169</b>	<b>262 562</b>
<b>Expenditure</b>											
Employee related costs	2	-	-	-	134 490	138 748	138 748	11 717	144 713	151 370	158 030
Remuneration of councillors		-	-	-	13 192	13 192	13 192	996	13 588	14 213	14 838
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	5 055	4 430	4 430	442	4 200	4 393	4 587
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		-	-	-	7 184	7 184	6 989	-	7 184	7 514	7 648
Interest		-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	40 373	45 745	45 745	2 945	43 795	40 232	37 183
Transfers and subsidies		-	-	-	4 530	1 900	1 900	85	4 250	4 446	4 641
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-
Operational costs		-	-	-	36 136	35 928	35 928	1 158	29 701	31 067	32 434
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	-	-	<b>240 959</b>	<b>247 127</b>	<b>246 932</b>	<b>17 342</b>	<b>247 430</b>	<b>253 235</b>	<b>259 361</b>
<b>Surplus/(Deficit)</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 450)</b>	<b>(15 748)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>
Transfers and subsidies - capital (monetary allocations)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 450)</b>	<b>(15 748)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 450)</b>	<b>(15 748)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 450)</b>	<b>(15 748)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	1	-	-	-	<b>213</b>	<b>(5 645)</b>	<b>(5 450)</b>	<b>(15 748)</b>	<b>1 041</b>	<b>1 935</b>	<b>3 200</b>

### 5.3. COMPONENT C: STATEMENT OF FINANCIAL POSITION

DC40 Dr Kenneth Kaunda - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		-	-	-	25 376	(47 197)	(47 197)	125 243	32 750	3 203	12 248
Trade and other receivables from exchange transactions	1	-	-	-	542	253	253	961	542	-	-
Receivables from non-exchange transactions	1	-	-	-	-	-	-	-	-	-	-
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	(5 055)	(4 430)	(4 430)	-	-	-	-
VAT		-	-	-	-	(42 917)	(42 917)	64 908	-	-	-
Other current assets		-	-	-	-	(1 765)	(1 765)	1 566	(1 765)	-	-
<b>Total current assets</b>		-	-	-	<b>20 862</b>	<b>(96 057)</b>	<b>(96 057)</b>	<b>192 678</b>	<b>31 527</b>	<b>3 203</b>	<b>12 248</b>
<b>Non current assets</b>											
Investments		-	-	-	120	120	120	-	120	-	-
Investment property		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	-	-	-	138 116	78 263	78 263	96 050	38 152	6 950	4 480
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Intangible assets		-	-	-	10 125	9 111	9 111	16 898	9 161	884	(509)
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		-	-	-	<b>148 361</b>	<b>87 495</b>	<b>87 495</b>	<b>112 948</b>	<b>47 434</b>	<b>7 834</b>	<b>3 971</b>
<b>TOTAL ASSETS</b>		-	-	-	<b>169 223</b>	<b>(8 562)</b>	<b>(8 562)</b>	<b>305 626</b>	<b>78 960</b>	<b>11 036</b>	<b>16 220</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	(421)	(421)	(421)	685	421	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions	4	-	-	-	303 642	72 462	72 462	38 779	5 308	4 127	1 131
Trade and other payables from non-exchange transactions	5	-	-	-	5 718	2 530	2 530	931	-	(4 446)	(4 641)
Provision		-	-	-	(20 496)	(20 496)	(20 496)	22 787	(20 496)	-	-

VAT		-	-	-	-	-	-	25 209	-	-	-
Other current liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		-	-	-	<b>288 443</b>	<b>54 075</b>	<b>54 075</b>	<b>88 392</b>	<b>(14 768)</b>	<b>(318)</b>	<b>(3 510)</b>
<b>Non current liabilities</b>											
Financial liabilities	6	-	-	-	-	-	-	-	-	-	-
Provision	7	-	-	-	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	(17 106)	(17 106)	17 106	(17 106)	-	-
<b>Total non current liabilities</b>		-	-	-	-	<b>(17 106)</b>	<b>(17 106)</b>	<b>17 106</b>	<b>(17 106)</b>	-	-
<b>TOTAL LIABILITIES</b>		-	-	-	<b>288 443</b>	<b>36 969</b>	<b>36 969</b>	<b>105 498</b>	<b>(31 874)</b>	<b>(318)</b>	<b>(3 510)</b>
<b>NET ASSETS</b>		-	-	-	<b>(119 219)</b>	<b>(45 531)</b>	<b>(45 531)</b>	<b>200 129</b>	<b>110 834</b>	<b>11 354</b>	<b>19 730</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	-	-	-	-	-	-	-	-	-	-
Reserves and funds	9	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	-	-	-	-	-	-	-	-	-	-

## 5.4. COMPONENT D: CASH FLOW

DC40 Dr Kenneth Kaunda - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2023/24	2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		-	-	-	200	150	150	(1)	370	387	404
Transfers and Subsidies - Operational	1	-	-	-	320	30	30	-	30	31	33
Transfers and Subsidies - Capital	1	-	-	-	231 672	232 322	232 322	1 093	238 571	244 814	251 751
Interest		-	-	-	8 980	8 980	8 980	502	9 500	9 937	10 374
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		-	-	-	(266 046)	(253 698)	(253 698)	(4 429)	(235 997)	(241 275)	(247 074)
Interest		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	(4 430)	(4 430)	(4 430)	-	(4 250)	(4 446)	(4 641)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	-	-	<b>(29 304)</b>	<b>(16 646)</b>	<b>(16 646)</b>	<b>(2 835)</b>	<b>8 224</b>	<b>9 449</b>	<b>10 847</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		-	-	-	(29 950)	(19 160)	(19 160)	(960)	(13 850)	(8 650)	(4 830)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	-	-	<b>(29 950)</b>	<b>(19 160)</b>	<b>(19 160)</b>	<b>(960)</b>	<b>(13 850)</b>	<b>(8 650)</b>	<b>(4 830)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-

<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	-	-	-	-	-	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	-	-	(59 254)	(35 806)	(35 806)	(3 795)	(5 626)	799	6 017
Cash/cash equivalents at the year begin:	2	-	-	-	57 980	38 576	38 576	7 473	38 576	32 950	33 749
Cash/cash equivalents at the year end:	2	-	-	-	(1 274)	2 770	2 770	3 678	32 950	33 749	39 766

## 5.5. COMPONENT E: GRANTS

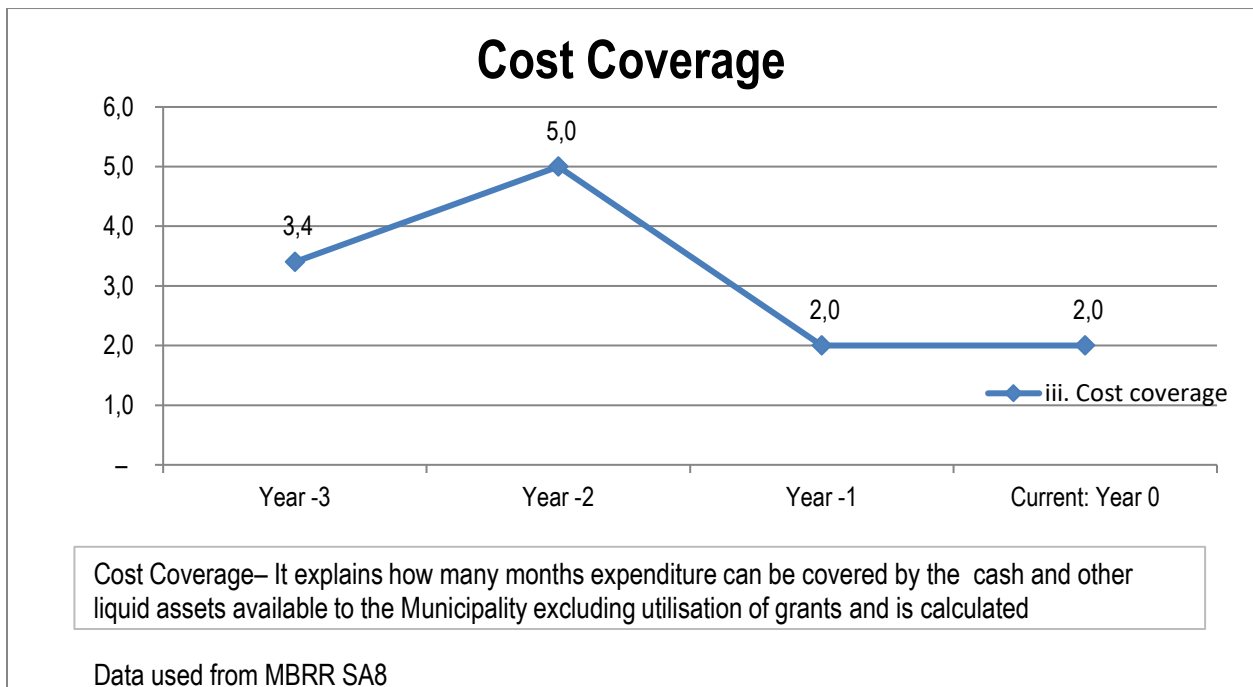
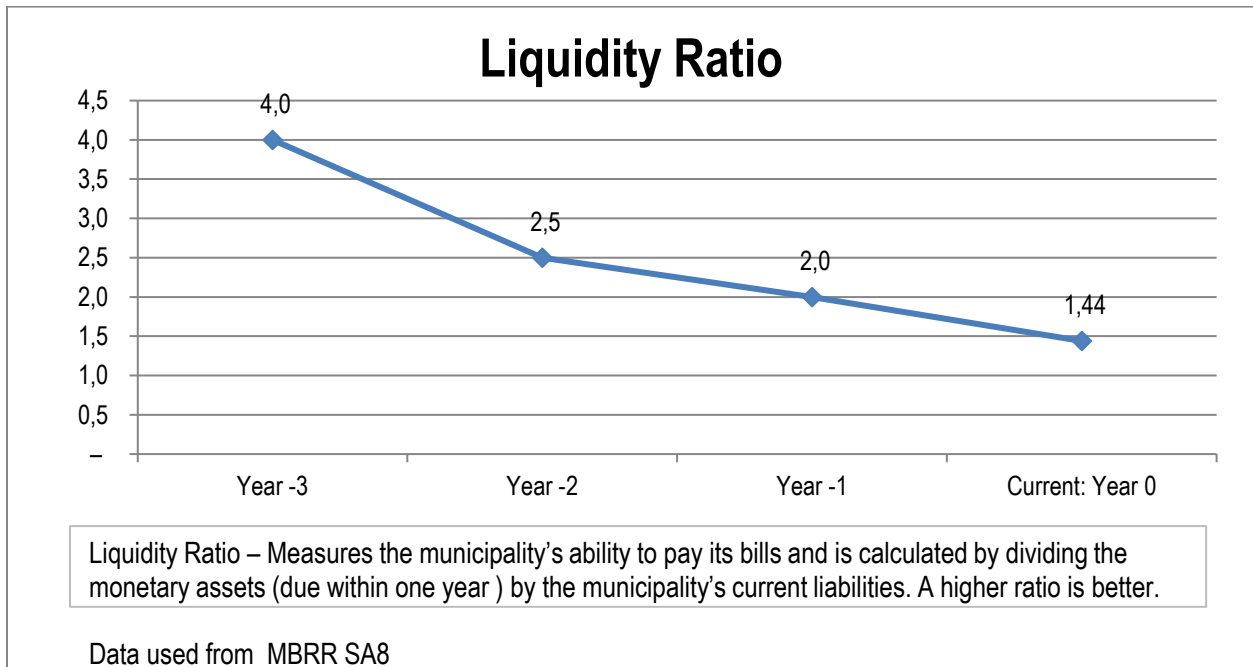
DC40 Dr Kenneth Kaunda - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2019/20	2020/21	2023/24	2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>										
<b>RECEIPTS:</b>	1, 2									
<b><u>Operating Transfers and Grants</u></b>										
<b>National Government:</b>		-	-	-	42 716	42 716	42 716	43 176	40 984	38 708
Local Government Equitable Share	-	-	-	-	33 503	33 503	33 503	32 981	32 768	34 256
Energy Efficiency and Demand Side Management Grant	-	-	-	-	4 000	4 000	4 000	4 000	4 000	-
Expanded Public Works Programme Integrated Grant	-	-	-	-	1 452	1 452	1 452	2 211	-	-
Local Government Financial Management Grant	-	-	-	-	1 000	1 000	1 000	1 100	1 200	1 300
Municipal Disaster Relief Grant	-	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant	-	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	-	-	-	2 761	2 761	2 761	2 884	3 016	3 152
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	3 500	3 500	3 500	2 000	2 092	2 184
Education Training and Development Practices SETA	-	-	-	-	3 500	3 500	3 500	2 000	2 092	2 184
Local Government Water and Related Service SETA										
<b>Total Operating Transfers and Grants</b>	5	-	-	-	46 216	46 216	46 216	45 176	43 076	40 892
<b><u>Capital Transfers and Grants</u></b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-

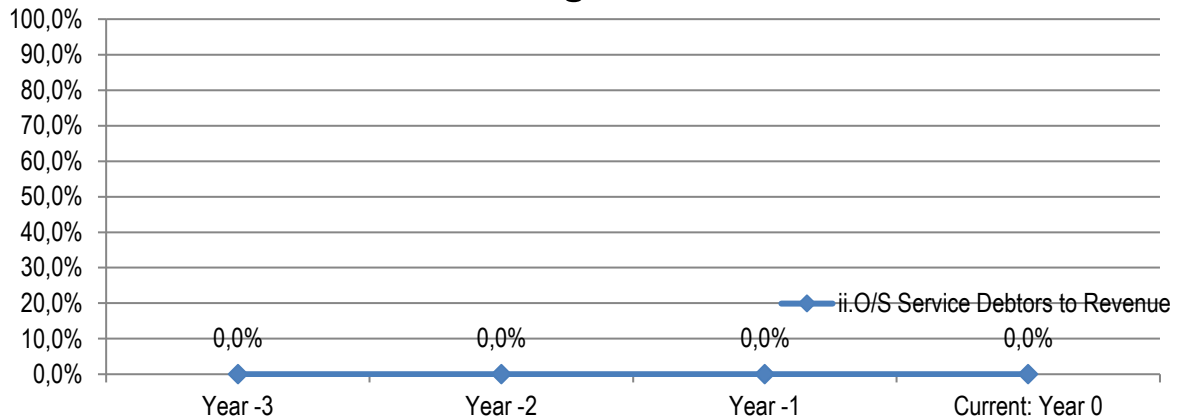
Other capital transfers/grants [insert desc]										
<b>Provincial Government:</b>										
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>										
[insert description]										
<b>Other grant providers:</b>										
Education Training an										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-	-	
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	-	-	46 216	46 216	46 216	45 176	43 076	40 892

## 5.6. COMPONENT F: FINANCIAL RATIOS

To be updated in January 2025 before the tabling of the Annual Report

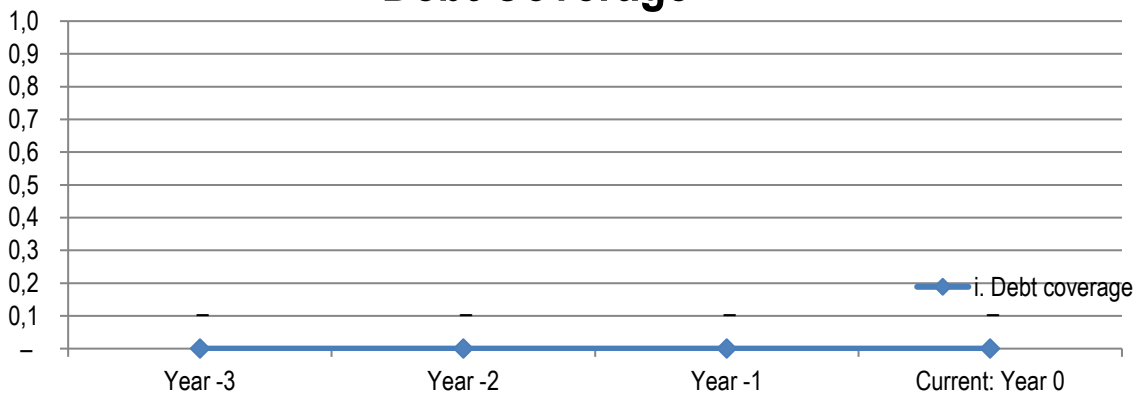


## Total Outstanding Service Debtors



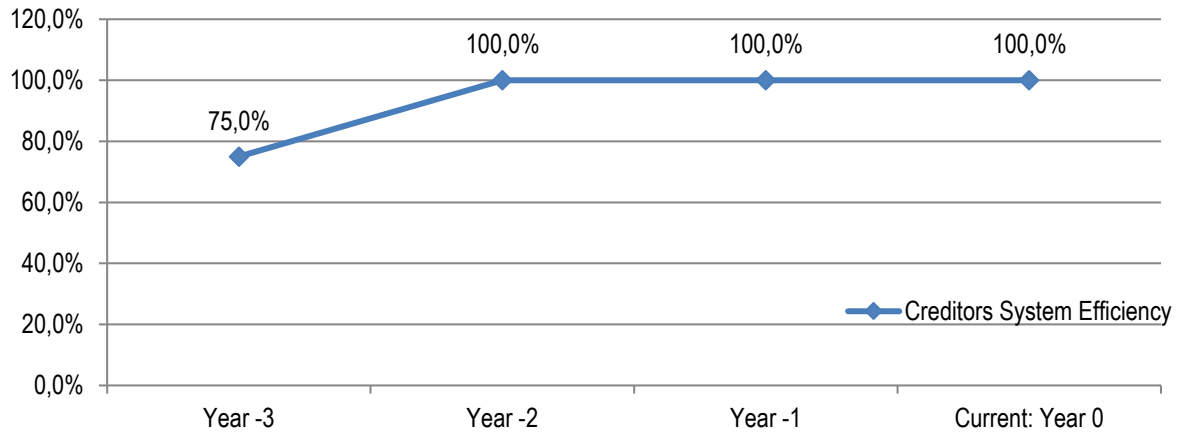
Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

## Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

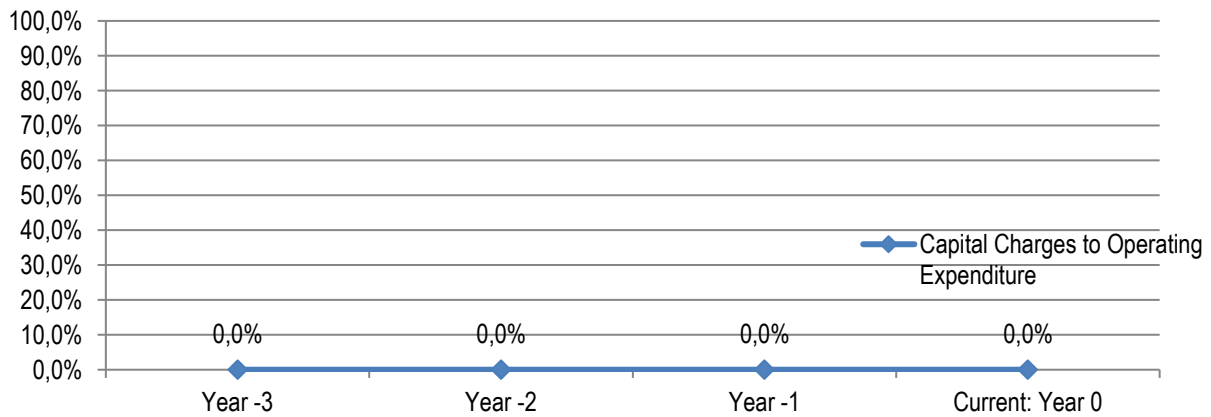
## Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

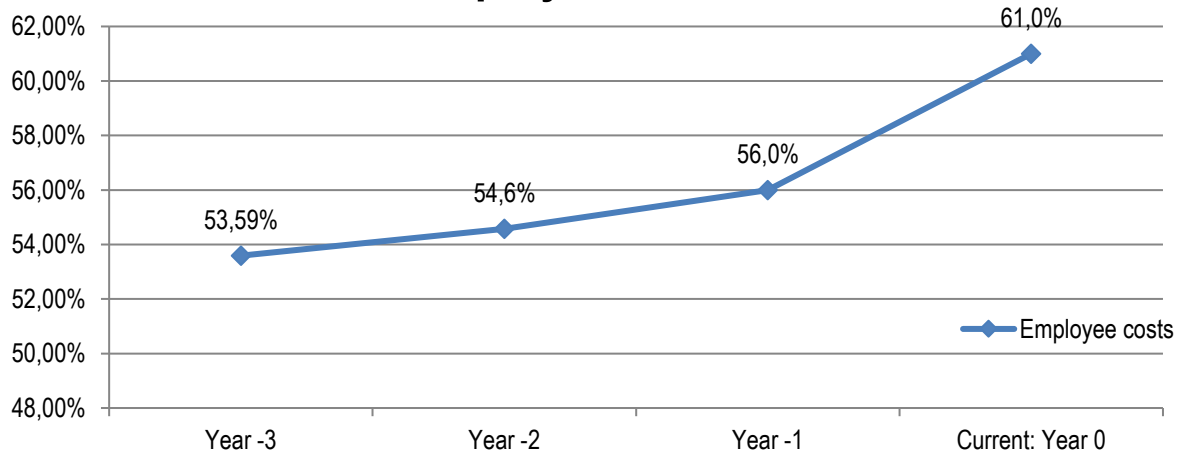
## Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

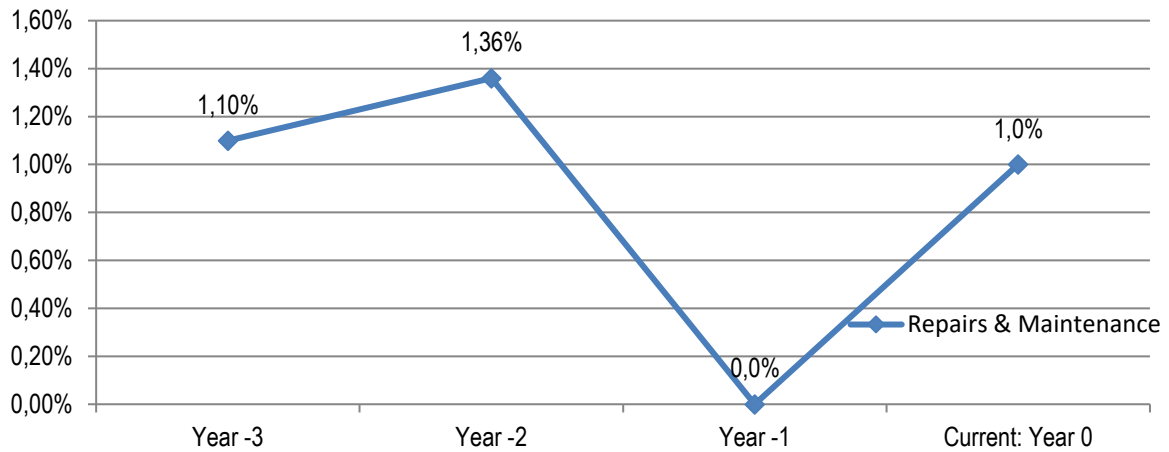
Data used from MBRR SA8

## Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

## Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

5.7 COMPONENT G: ASSESSMENT OF ANY ARREARS ON MUNICIPAL TAXES AND SERVICE CHARGES

ITEM	ENTITY	Amount owed to DrKKDM	Amount owed by DrKKDM
Compensation commissioner	Department of labour (office of the Compensation commissioner)	R0	R828,672

## 6. CHAPTER 6: AUDITOR GENERAL'S REPORT 2024/25

### 6.1. COMPONENT A: 2024/25 AUDIT REPORT

#### Report of the auditor-general to the North West Provincial Legislature and the council on Dr Kenneth Kaunda District Municipality

##### Report on the audit of the financial statements

##### Opinion

1. I have audited the financial statements of the Dr Kenneth Kaunda District Municipality set out on pages 206 to 303, which comprise the appropriation statement, 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, the financial statements present fairly, in all material respects, the financial position of the Dr Kenneth Kaunda District 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 opinion

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

##### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.
7. As disclosed in note 34 to the financial statements, unauthorised expenditure of R75 698 064 that was incurred in the previous years was still under investigation.
8. As disclosed in note 35 to the financial statements, fruitless and wasteful expenditure of R767 505 was incurred in the current year and fruitless and wasteful expenditure of



R12 372 036 from prior years have not yet been dealt with in accordance with section 32 of the MFMA.

9. As disclosed in note 36 to the financial statements, irregular expenditure of R37 087 123 was incurred, as proper tender processes were not followed and irregular expenditure of R349 405 775 that was incurred in the previous years was still under investigation.
10. As disclosed in note 31 of 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.

#### **Other matters**

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.
12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.
13. The supplementary information set out on pages 01 to 203 does not form part of the financial statements and is presented as additional information. I have not audited these schedule(s) and, accordingly, I do not express an opinion on it.

#### **Responsibilities of the accounting officer for the financial statements**

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

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

16. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



17. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 165 of the annexure to the auditor's report, forms part of our auditor's report.

### Report on the annual performance report

18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

19. I selected the following material performance indicators related to key performance area 1: basic service delivery and infrastructure development presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected those indicators that measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

- KPI 3 – number of compliance reports on drinking water samples taken and tested from JB Marks, Matlosana and Maquassi Hills local municipalities
- KPI 4 – number of water samples taken and tested at the reservoirs in JB Marks, Matlosana and Maquassi Hills local municipality
- KPI 5 – number of waste inspections conducted
- KPI 6 – number of air quality management inspections conducted within Dr Kenneth Kaunda District
- KPI 7 – number of compliance reports on food control taken from JB Marks, Matlosana and Maquassi Hills local municipalities
- KPI 8 – total kilometres of unpaved roads assessed within Maquassi Hills Local Municipality, JB Marks Local Municipality and Matlosana Local Municipality

20. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

21. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included



- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
  - the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
  - there is adequate supporting evidence for the achievements reported and measures taken to improve performance.
22. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
23. I did not identify any material findings on the reported performance information for the selected indicators.

#### Other matters

24. I draw attention to the matter below.

#### Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance.
26. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 62 to 67.

#### Basic service delivery and infrastructure development

<i>Targets achieved: 77%</i>		
<i>Budget spent:99%</i>		
<b>Key indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
Number of pumps retrofitted to reduce electricity consumption within Maquassi Hills LM PLN	3 water pumps 1 raw sewerage pump	0



## Report on compliance with legislation

27. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
28. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
29. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
30. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Financial statements and annual reports

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

### Expenditure management

32. Reasonable steps were not taken to prevent irregular expenditure amounting to R37 087 123 as disclosed in note 37 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused not following quotation processes and irregular expenditure transferred to the municipality after the agency was wound up.
33. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R767 505, as disclosed in note 36 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. Most of the disclosed fruitless and wasteful expenditure was caused by the agency prior to being wound up, interest on late payment and duplicates payments salaries and expenditure payments.

### Consequence management

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



35. Some of the irregular, fruitless and wasteful expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

#### **Governance and oversight**

36. The Internal Audit unit did not advise the accounting officer and/or did not report to the audit committee on the implementation of the internal audit plan on matters relating to risk management, as required by section 165(2)(b)(iv) of the MFMA.

#### **Other information in the annual report**

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

38. My opinion on the financial statements, the findings on the reported performance information and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

39. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in development priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

40. 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**

41. 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.

42. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the material findings on compliance with legislation included in this report.

43. Management did not have sufficient monitoring controls to ensure adherence to the internal policies and procedures, oversight and monitoring were not properly exercised over the preparation and review process of the annual financial statements prior to submission for audit.



44. Management did not implement effective internal controls and oversight mechanisms to ensure that all reported unauthorised, irregular and fruitless and wasteful expenditure is investigated timeously and in accordance with MFMA requirements.
45. Management did not ensure that the action plans address internal control deficiencies and the real root causes, that corrective actions are taken in a timely manner to prevent recurring audit findings, particularly in the area of annual financial statements and compliance with laws and regulations.

#### Other reports

46. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements, my findings on the reported performance information or compliance with legislation.
47. An investigation into fraud allegations was conducted by the Directorate for Priority Crime Investigation (Hawks), which led to two employees being charged with theft and money laundering. Internal investigations started during the current year and are still ongoing.

*Auditor-General.*  
Rustenburg

30 November 2025



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## Annexure to the auditor's report

The annexure includes the following:

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

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

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

#### Financial statements

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

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



### Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)a, 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)  Parent municipality with ME: Sections: 93B(a), 93B(b)  Parent municipality with shared control of ME: Sections: 93C(a)(iv), 93C(a)(v)
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, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)



Legislation	Sections or regulations
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), 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), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 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), 5(4)



## 6.2. COMPONENT B: 2024/25 AUDIT AND RISK COMMITTEE REPORT

### DR KK District Municipality – AUDIT COMMITTEE ANNUAL REPORT FOR THE 2024/2025 FINANCIAL YEAR.

#### 1. LEGISLATIVE REQUIREMENTS

The Audit and Risk Committee (hereinafter referred to as the “Audit Committee”) is pleased to present its annual report for the year ended 30 June 2025. The purpose of this report is to communicate the Audit Committee’s progress to date in carrying out its oversight and advisory responsibilities in terms of Section 166 of the Local Government Municipal Finance Management Act, Act 56 of 2003 read with Regulation 14 of the Planning and Performance Management regulations, 2001.

The District Municipality appointed an Audit Committee as a shared service comprising of five members. The Council appointed Mr A M Langa as Chairperson. The Committee continued to perform its duties as outlined in its reviewed Audit Charter for the year under review.

The Committee considered fraud, risk and internal controls as an objective of internal control activities with fraud perceived to be a potential internal control failure. The Audit Committee fulfilled its mandate and provided advisory services to the Council, the political Office Bearers, the Accounting Officer and Management on matters relating to the Internal Audit function, effectiveness of the systems of Internal Controls, ICT Governance, Risk Management processes and Performance Management Systems.

The functioning of the Audit Committee is governed by the Audit Committee’s Charter approved by the Municipal Council at the beginning of the financial year.

#### 2. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

During the year under review the Committee held meetings as per their approved schedule and the attendance by each member is as follows:

Name of Member	Skills and Experience	Designation	Number of Meetings Attended.
A M Langa	Masters’ candidate enrolled for a Masters Degree in Public Admin with UNISA and enrolled for an MBA with Regent University, BCom (Municipal Accounting) and BCom Honours. Sits on various audit, risk and performance committee with 40 years of professional experience.	Chairperson Audit Committee	8

Adv. I Motala	B. Proc (UNISA). In excess of 25 years professional experience in the Local Government sector in various capacities. Former and current Audit Committees, Boards and Tribunals	Member	8
Ms S Makhathini	CA(SA) with over 15 years' experience in auditing, risk management and financial accounting and reporting. Former and current member of numerous Audit and Risk/Performance Committees and Boards.	Member	8
Ms M Ramataboe	CA(SA) with over 20 years' experience in auditing, risk management and financial management. Former and current member of numerous Audit and Risk/Performance Committees and Boards.	Member	8
B Mathibela	National Diploma taxation, National Diploma Accounting, BCompt, Profession Internal Auditor (PIA).22 Years professional experience in Private and public sector in auditing, Risk Management, Financial Accounting and reporting. Former and current member of numerous Audit and Risk/Performance Committees and Boards.	Member	8

A total of four ordinary and four special meetings were held and the meetings duly formed a quorum with the majority of members in attendance. As and when necessary, the Committee convened Special Meetings to deal with certain specific matters. The Audit Committee was able to meet as required by legislation and further none of its scheduled meetings was rescheduled due to the unavailability of members. The commitment of the Audit Committee members is highly appreciated. The Audit Committee through its Chairperson managed to submit on a quarterly basis its reports to the Municipal Council. All its reports were adopted by the Council and the implementation of the resolutions is monitored through a resolution tracker.

The Audit Committee has as its standing items in its meetings a progress report on the implementation of the Post Audit Action Plan for addressing the 2022/2023 financial year audit findings. The Committee noted that although management put effort into implementing the action plan not all agreed actions were undertaken due to a number of reasons. The Committee raised a serious concern that the

Municipality although having committed to do so, they did not implement the AGSA culture shift plan. The Committee acknowledges the **unqualified audit outcome**. The Committee will continue to ensure that there is continuous improvement regarding the controls around overall management of finances to ensure that these results are improved towards assisting the Municipality achieve its strategic objectives.

### **3. EVALUATION OF FINANCIAL AND PERFORMANCE REPORTS**

Statutory quarterly reporting requirements per MFMA provisions to oversight committees, Council and treasury were performed by management. Quarterly reviews, Audit Committee reports, presentations to Council were conducted with recommendations on remedial actions to be taken on reported internal control deficiencies identified through internal and external audit findings.

The Audit Committee continually identified and advised Management and Council on financial management and performance reports, non-compliance issues with SCM policies, budget performance trends, progress reports on risk management and fraud, ICT Governance reports and MSCOA implementation. The Committee continued to monitor the implementation of the cascading of PMS to lower levels of staff during the year under review and raised concerns on the slow implementation of the plan.

The Municipality successfully implemented MSCOA and is currently transacting on the new system although a few modules are yet to be implemented. The Committee noted with concern that the Municipality still depends on the system vendor for support which sometimes poses challenges.

The Committee noted during the financial year the continued high dependence by the Municipality on grant funding as it is not generating sufficient own revenue to sustain itself.

Internal Audit continues to be a vital element of quality assurance in the performance management environment by giving the Committee reports/assurance on performance information submitted.

### **4. RISK MANAGEMENT**

Effective Risk management forms an integral part of the institution's objectives of implementing and maintaining overall risk identification and mitigation of these risks. This provides a basis for integrated risk management and internal controls as components of good corporate governance. The Municipality did not have a functional risk management committee during the year under review and quarterly reports were submitted by the Risk Officer to the Audit Committee. The three-year Internal Audit plan is based on the municipal risk assessment. Quarterly risk

management reports were reviewed and considered by the Audit Committee from the Risk Officer.

## **5. EFFECTIVENESS OF INTERNAL CONTROLS**

The Committee provided oversight on the financial reporting processes and existing internal control systems within the Municipality and concluded that the municipality maintains a system of internal controls designed to provide assurance that transactions are processed and concluded with management's authority; assets are safeguarded against unauthorised use or disposal with proper recording and authorisation of transactions. The challenge identified is the lack of enforcement by Management of the internal controls timeously.

During the year under review, reviews were conducted by oversight bodies which identified instances where the effectiveness of internal controls was compromised though systems are in existence based on repeated and new audit findings on internal control system deficiencies were identified. The Audit Committee takes cognisance of the fact that there are inherent limitations in the effectiveness of any system of internal controls attributed to human errors and circumvention of internal controls. The Committee is concerned on the slow pace in resolving UIFW Expenditure identified in accordance with Section 32 of the MFMA as such results in unnecessary AGSA findings.

Remedial actions taken to address control deficiencies identified in the quarterly reports of internal audit and external audit findings were found inadequate and ineffective as depicted by the control dashboard. The slowness in implementing remedial actions continue to result in repeat findings by Internal Audit and the Auditor General which ultimately resulted in non-improvement in the audit outcome.

## **6. INTERNAL AUDIT UNIT**

The Municipality has an internal audit unit headed by the Chief Audit Executive who reports to the Audit Committee and administratively directly to the Accounting Officer. The unit operates based on a risk-based internal audit plan approved by the Audit Committee. The Committee further approved the internal audit charter for the year under review. Further the Committee approved the three-year rolling internal audit plan for the unit.

The projects undertaken by the internal audit unit for the year under review are as follows:

- Review of the Annual Financial Statements and Annual Performance Report;
- Audit of Performance Measures Reviews for all the quarters;
- Quarterly Supply Chain Management Review;
- Quarterly Internal Audit Findings Follow-Up Review;

- Quarterly Audit & Risk Committee Resolutions Review;
- Strategic Planning Review;
- Revenue Management Review;
- Compliance with Laws and Regulations Review; and
- Asset Management Review.

The Committee developed a tracking tool for the implementation of internal audit recommendations by management and noted the slow implementation of such recommendations. At all its quarterly meetings Management presents progress reports on the implementation of Internal Audit recommendations which assist the Committee in monitoring the implementation of recommendations.

The Committee evaluated the independence of the unit, effectiveness and performance of the internal audit function, considered internal audit reports on the municipality's systems of internal control including financial controls, business risk management and maintenance of effective internal control systems and assessed the adequacy of the performance of internal audit function and found them satisfactory and improving.

## **7. REVIEW OF ANNUAL FINANCIAL STATEMENTS AND ANNUAL PERFORMANCE REPORT**

The Committee reviewed the 2024/2025 annual financial statements and the annual performance report as required by the MFMA. The Committee identified challenges which included but not limited to arithmetical errors which were pointed out to management for rectification. Due to time constraints the corrected reports could not be considered by the committee. The reviews confirmed that no new accounting policies were introduced and further that the annual financial statements were prepared on a going concern basis.

The Committee appreciated that the Annual Financial Statements were prepared internally by the CFO with the assistance of consultants and a form of skills transfer did occur. However, the quality and accuracy of the AFS could not be verified by the Audit Committee given that it did not assess the corrected reports due to time constraints. The Committee would always appreciate being given sufficient time to review the Annual Financial Statements for review to avoid unnecessary findings by the AGSA.

## **8. EXTERNAL AUDIT**

The Audit Committee considered the audit strategy by the Office of the Auditor General and made comments and further noted that for the year under review the amended Public Audit Act would not be implemented. The Committee accepts the external auditor's conclusions on the Annual Financial Statements and the annual performance report for the 2024/2025 financial year.

The Audit Committee will continue to oversee the development of the Post Audit Action Plan and the implementation of project clean administration with the objective of improving the audit outcome for future years.

Except for the matters identified by the external auditors in the auditor's report, the Audit Committee has satisfied itself that the annual financial statements have been prepared in terms of GRAP and the MFMA except for the matters raised by the Office of the Auditor General.

Report Compiled on behalf of the Audit Committee by:

A handwritten signature in black ink, appearing to be 'A M Langa', written in a cursive style.

**Mr A M Langa**

**Audit and Risk Committee Chairperson**

**30/11/2025**

## 6.3. COMPONENT C: 2024/25 INTERNAL AUDIT REPORT

### **DR. KENNETH KAUNDA DISTRICT MUNICIPALITY – INTERNAL AUDIT SHARED SERVICES ANNUAL REPORT 2024-25**

#### **INTRODUCTION**

This report highlights the outcomes of Internal Audit activities in the year (FY) 2024-2025 (July 2024 – June 2025) which demonstrate our efforts to assist management in identifying and addressing significant risks and drive efficiencies while providing ongoing assurance to Dr Kenneth Kaunda District Municipality.

#### **THE PURPOSE OF THE INTERNAL AUDIT ACTIVITY**

The purpose of Dr. Kenneth Kaunda District Municipality's Internal Audit Shared Services was to provide independent, objective assurance and consulting services designed to add value and improve Dr Kenneth Kaunda District Municipality and Maquassi Hills Local Municipality's operations. The mission of internal audit was to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Internal Audit Shared Service (IASS) was set up under section 165(1) of the Municipal Finance Management Act (MFMA) N0. 56 of 2003 and mandated by Council Resolution under Item **A.111/07/2007**, **A.190/11/2009**, and **A.05/02/2018** as a shared function for the Dr Kenneth Kaunda District Municipality (DRKKDM), which includes DRKKDM and Maquassi Hills Local Municipalities.

In 2022, the Shared Services was reconfigured to include the Risk Management and Audit & Risk Committee through resolution **A.23/02/2022**, which came to an end on the 30<sup>th</sup> of June 2024.

#### **AUTHORITY OF THE INTERNAL AUDIT ACTIVITY**

The standard for the Professional Practice of Internal Auditing requires the Chief Audit Executive to report periodically to senior management and the board through the Audit Committee on the internal audit activity's purpose, authority, responsibility, and performance relative to its plan and on its conformance with the Code of Ethics and the standard. The reporting must also include significant risk and control issues, including fraud risks, governance issues, and other matters that require the attention of Senior Management and/or the board.

MFMA Section 62 requires that the accounting officer of a municipality must take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of internal audit operating in accordance with any prescribed norms and standards.

MFMA section 165 (1) requires, each municipality and each municipal entity to have an internal audit unit, subject to subsection (3).

Section 165(2) states that “The internal audit unit of a municipality or municipal entity must—

- a) prepare a risk-based audit plan and an internal audit program for each financial year;
- b) advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relating to—
  - (i) internal audit; (ii) internal controls; (iii) accounting procedures and practices; (iv) risk and risk management; (v) performance management; (vi) loss control; and (vii) compliance with this Act, the annual Division of Revenue Act, and any other applicable legislation.

#### **THE INTERNAL AUDIT CHARTER**

The Shared Audit & Risk Committee approved the internal Audit Charters for the 2024/2025 financial year for the Dr Kenneth Kaunda District Municipality.

#### **INDEPENDENCE OF THE INTERNAL AUDIT ACTIVITY**

The Internal Audit Activity reported functionally to the Audit & Risk Committee and administratively to the Accounting Officer.

#### **CONFORMANCE WITH THE CODE OF ETHICS AND THE STANDARDS**

All members of the Internal Audit Activity had signed a code of ethics established by the Institute of Internal Auditors and declared their financial interest in the municipality.

The Internal Audit Activity had not carried out projects for which they did not have the expertise. Internal Audit has sourced the services of the Internal Quality Assurance Provider through the North West Provincial Treasury to review the Internal Audit Activity’s conformance with the requirements of the Standards and ensure the quality of the work conducted during the previous five (5) years, i.e., 2021/2022 to 2024/2025. The purpose of the internal quality assurance review is to assist Internal Audit to identify areas that need improvement, however due to lack of capacity at the Provincial Treasury the review was deferred to the following financial year, 2025/2026.

## **THE STRATEGIC & OPERATIONAL INTERNAL AUDIT PLANS AND THE PROGRESS AGAINST THE PLANS**

The Strategic & Operational Internal Audit Plans of the Dr. Kenneth Kaunda District Municipality was approved by the Audit & Risk Committee and progress made was constantly reported to the Audit & Risk Committee every quarter.

### **FY 2024 - 25 STATISTICAL HIGHLIGHTS**

#### **Delivery of Dr. Kenneth Kaunda District Municipality's 2024/2025 Annual Operational Internal Audit Plan:**

- A total number of Twenty-Six (26) projects were planned for the 2024/2025 financial year.
- Twenty-three (23) planned projects were completed – 96% achievement.
- Due to capacity constraints, 1 planned project was deferred to the 2025/2026 financial year.

## **RESULTS OF AUDIT ACTIVITIES**

### **DR. KENNETH KAUNDA DISTRICT MUNICIPALITY**

#### **Quarterly Performance Management System Review**

The review was conducted quarterly and the objective of the review was to evaluate the measures implemented by management to measure and report on performance. The scope of the review included 1) Review of the processes followed in developing the reported performance information; 2) Analysis of the Portfolio of Evidence supporting the reported performance information for accuracy and completeness; and 3) Review of controls in place around the key processes giving rise to Quarterly reporting, to ensure reliability, accuracy, and completeness.

The review results revealed that the systems of internal control concerning recording, processing, and reporting on Performance Information are generally good, minor improvements are required to ensure that business objectives are achieved throughout the period of reliance.

#### **Quarterly Supply Chain Management Review**

The review was conducted quarterly and the objective of the review was to ensure that the Municipality has processes in place to determine the adequacy and effectiveness of internal controls concerning the procurement of goods and services. The scope of the review included 1) Review of the processes followed in approving and awarding quotations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy; 2) Review of the processes followed in approving and awarding of competitive bids and whether these were in accordance

with the MFMA SCM Regulations and SCM Policy; and 3) Review of the processes followed in approving and awarding of deviations and whether these were in accordance with the MFMA SCM Regulations and SCM Policy.

The review results revealed that the Municipality does have adequate monitoring controls in place, however, monitoring controls were not effectively implemented through the period of reliance, thus significant improvements are required to ensure that the objectives and goals will be met throughout the period of reliance.

#### **Quarterly Internal Audit Findings Follow-Up Review**

The review was conducted quarterly and the objective of the review was to follow-up on the implementation of the recommendations and agreed action plans on the internal control deficiencies identified during the internal audit reviews. The scope of the review included 1) Follow-Up on Implementation of Action Plans on Internal Audit Findings, and 2) Review of PoE for accuracy, validity, and completeness.

The review results revealed that out of 172 Agreed Action Plans, Management successfully implemented 155 action plans (90%), partially implemented 13 action plans (8%), and 4 action plans were not implemented (2%), thus moderate improvements are required to ensure that Management fully implement the action plan to mitigate the recurrence of the internal control deficiencies identified by the Internal Audit.

#### **Quarterly Audit & Risk Committee Resolutions Review**

The review was conducted quarterly and the objective of the review was to follow-up on the implementation of the resolution of the Audit & Risk Committee. The scope of the review included 1) Follow-Up on the Implementation of Audit Committee Resolutions / Recommendations.

The review results revealed that out of 346 Resolutions made by the Committee, Management successfully implemented 313 resolutions (90%), partially implemented 27 resolutions (8%), and 6 resolutions (2%), thus moderate improvements are required to ensure that Management fully implement the resolutions of the Audit & Risk Committee.

### **Compliance with Laws and Regulations Review**

The overall purpose of this review was to assist Management in developing its regulatory universe and ensure that there is a Compliance Monitoring Tool within the Municipality. The objective of the review was to ensure that the Municipality has processes in place to ensure compliance with the applicable laws and regulations. The scope of the review was limited to confirmation of compliance with applicable laws and regulations.

The review results revealed that the Municipality does have adequate monitoring controls in place, however, monitoring controls were not effectively implemented through the period of reliance, thus moderate improvements are required to ensure that the objectives and goals will be met.

### **Information and Communications Review**

The overall purpose of this review was to assist Management in reviewing the processes and controls within the Information and Communication Technology Unit of the Municipality. The objective of the review was to evaluate the controls implemented by management to measure and report on Information and Communication Technology and to ensure that the designed controls are adequate and operating effectively. The scope of the review was limited to the IT General controls, Management of Information Security, and ICT governance. The review results revealed that the Municipality does not have adequate monitoring controls in place and the monitoring controls were not effectively implemented through the period of reliance, thus significant improvements are required to ensure that the objectives and goals will be met.

### **Municipal Health & Environmental Management**

The purpose of the audit was to assess the adequacy of systems, processes, and controls in place for Health and Environmental services, test the effectiveness thereof to ensure compliance with relevant policies, procedures, regulations, contracts, and legislation, to determine whether the set objectives have been achieved and to report thereon. The objective of the review was to evaluate the adequacy and effectiveness of controls in responding to risks within the Municipal Health and Environmental Management Services' operations regarding the, 1) reliability and integrity of operational information, 2) effectiveness and efficiency of operations and programs, 3) safety of EHP's while on duty and 4) compliance with laws and/or regulations. ensure that the Municipality has processes in place to ensure compliance with the applicable laws and

regulations. The scope of the review included 1) Compliance with Municipal Health & Environmental Management services laws, regulations, National Norms and Standards (1EHP: 10000 Household) and any applicable legislation, 2) Controls established for the safety of EHP officials while on duty., 3) Review the management of uncontrollable Feld fires and increased incidents of Dolomite sinkholes and 4) Review the Management of environmental degradation and pollution (land, water& air pollution).

The review results revealed that the Municipality does have adequate controls in place, however monitoring controls were not effectively implemented through the period of reliance, thus moderate improvements are required in order ensure that the objectives and goals will be met.

#### **Human Resources and Payroll Management**

The purpose of the audit was to assess the adequacy of systems, processes and controls in place for Human Resources and Payroll Management with applicable laws and regulations, test the effectiveness thereof to ensure compliance with relevant policies, procedures, regulations, contracts and legislation, to determine whether the set objectives have been achieved and to report thereon. The objective of the review was to evaluate the adequacy and effectiveness of measures implemented by management in response to risks within the human resources and payroll management processes and operations. The scope of the review included, 1) Recruitment, Selection and Appointments; 2) Leave Management; 3) Payroll Management; and 4) Staff Grievances Management.

The review results revealed that the Municipality does have adequate controls in place, however monitoring controls were not effectively implemented through the period of reliance, thus moderate improvements are required in order ensure that the objectives and goals will be met.

#### **Expenditure & Contract Management**

The purpose of the audit was to assess the adequacy of systems, processes and controls in place for Expenditure and Contract Management, test the effectiveness thereof to ensure compliance with relevant policies, procedures, regulations, contracts and legislation, to determine whether the set objectives have been achieved and to report thereon. The objective of the review was to evaluate the adequacy and effectiveness of controls in responding to risks within the Municipality's operations, and systems of internal controls in relation to Expenditure and Management of Contracts. The scope included, 1) Review the Expenditure Management controls

for adequacy and effectiveness; 2) Review the adequacy and effectiveness of the Contract Management systems of internal control; and 3) Adherence to the Expenditure and Contract Management Guidelines / Standard Operating Procedures.

The review results revealed that the Municipality does not have adequate controls in place, and nor monitoring controls were effectively implemented through the period of reliance, thus significant improvements are required in order ensure that the objectives and goals will be met.

#### **INTERNAL AUDIT STAFF COMPLIMENTS**

The Operational Internal Audit Plan was delivered by staff compliments of six (5) members, i.e., CAE, Internal Audit Manager, Two (2) Senior Internal Auditors, and One (1) Internal Audit Admin.

#### **CONTINUING PROFESSIONAL DEVELOPMENT**

Members of the Internal Audit Activity continuously enhance their knowledge, skills, and other competencies through continuing professional development.

On behalf of the Internal Audit Team



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Chief Audit Executive  
SG Mtemekwana (PIA)

## 6.4. MANAGEMENT'S ACTION PLAN ON THE AG'S FINDINGS: 2024/25

### MANAGEMENT'S ACTION PLAN ON THE AG'S FINDINGS: 2024/25

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
1.	<b>Consequence Management</b>					
1.1		<b>COMAF 4:1 Unauthorised, Irregular, Fruitless and wasteful expenditure not investigated</b>	Leadership did not review and monitor compliance with applicable laws and regulations to ensure that wasteful and fruitless and unauthorised expenditure is investigated. Timeliness indicated on the UIF&W Reduction Strategy and Development of Implementation Plan not met to ensure all UIFWE incurred in prior years are fully investigated. Further late appointment of MPAC Chairperson in May 2025 also prevented investigation of all UIFWE incurred in prior years.	CFO/MM/MPAC	"Management acknowledges the audit finding relating to Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure not being fully investigated as required by MFMA Section 32, and that certain investigation reports were neither finalised nor approved by the MPAC Chairperson nor adopted by Council. It should be noted that the delay in appointing the MPAC Chairperson significantly impacted the timely processing and finalisation of investigations, resulting in several UIF&W cases not being concluded within the planned timelines. Management further confirms that the UIF&W Reduction Strategy has been updated to reflect revised timelines, responsible officials, and strengthened monitoring mechanisms. The updated	In Progress

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
					<p>strategy will be presented at the next Council meeting for approval, after which implementation will commence immediately to improve compliance with MFMA Section 32 and expedite the processing of all outstanding UIFW cases. <b>Progress to Date on Outstanding Investigations</b></p> <p><b>1. Unauthorised Expenditure-</b> The 2022/23 Unauthorised Expenditure amount of R1 440 575 is currently with MPAC for investigation. The 2023/24 Unauthorised Expenditure amount of R3 508 563, relating to Agency expenditure, was considered by MPAC on Wednesday, 12 November 2025.</p> <p><b>2. Irregular Expenditure.</b> The Accounting Officer has already investigated significant irregular expenditure items across multiple financial years, which have been submitted to MPAC for consideration. Total Investigated by Accounting Officer: R117,929,333,61</p> <p><b>3. Fruitless and Wasteful Expenditure (Council Resolution)</b> Management confirms that the Council resolution relating to the R10 million fruitless and wasteful expenditure is attached for audit purposes and will be submitted to the Auditor-General as required. <b>Management Corrective Action Plan</b></p>	

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
2	Expenditure Management				<p>1. Completion of All Outstanding Investigations All remaining UIFW investigations will be prioritised and finalised by 31 March 2026.2. Strengthening MPAC Capacity Additional administrative, legal, and technical support from PT and local government to MPAC.UIFW Task Team to be established to support the investigation process. (CFO and SCM Officials)3. Quarterly Monitoring and Oversight Quarterly progress reports on UIFW investigations will be submitted to Council and the Audit Committee</p> <p>The Municipal Manager's office will monitor Section 32 compliance more rigorously.4. Submission and Approval of Reports All completed UIFW reports will be submitted to MPAC for final review and approval. Council resolutions for the adoption of UIFW reports will be filed and made available for audit Purposes</p>	
2.1		<b>COMAF 4: Irregular, Fruitless and Wasteful expenditure not prevented</b>	Management did not ensure compliance with the requirements of MFMA to prevent UIFW expenditure. No	CFO/MM	Management acknowledges the audit finding relating to the municipality's failure to prevent Irregular, Fruitless and Wasteful	In Progress

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
		<p>During the 2024/25 financial year, the municipality failed to prevent the following Irregular, Fruitless and Wasteful expenditure from being incurred as disclosed in the AFS:</p> <p>Irregular expenditure -R27 967 629  Irregular expenditure – Prior period Agency- R9 119 494  Fruitless and wasteful expenditure- R120 905  Fruitless and wasteful expenditure – Prior period Agency- R 646 600</p>	<p>preventative controls were developed and implemented as similar cases were reported in previous year.</p>		<p>(IFW) expenditure during the 2024/25 financial year as required by MFMA Section 62(1)(a) and (d). Management confirms that the bulk of the recurrence of Irregular Expenditure relates to existing contracts and month-to-month contracts that have continued over several financial periods. The municipality has already begun an aggressive clean-up process to eliminate month-to-month contracts, and these services are being advertised to ensure compliance with supply chain management regulations. Management further confirms that the month-to-month contract with Columbia Falls for office rental in Orkney has been cancelled as part of the Irregular Expenditure clean-up programme. Management also confirms that investigations for the following items have commenced this week:</p> <ul style="list-style-type: none"> <li>• Kreston – AFS for Agency</li> <li>• Kosh Consulting</li> <li>• Midvaal Water</li> <li>• Envirocare</li> </ul>	

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
3.	Human Resource Management					
3.1		<p><b>COMAF 4:7 No performance agreement between the supervisor and staff member</b></p> <p>During the audit we noted that the Municipality did not implement the performance management agreement process between the Supervisor and the lower-level employees as required by Section 35 of the Local Government: Municipal Staff Regulations</p>	Management has not put controls in place to ensure that the performance agreement are performed for lower levels of the municipality.	PMS/Director Corporate service	Management agrees with the finding, as performance management is not cascaded across all levels of employee. Level 2 & 3 managers have, however, signed performance agreements.	In Progress
4.	Internal Controls					
4.1		<p><b>COMAF 4: No investigations for Unauthorised, Irregular and Fruitless and wasteful expenditure for the year.</b></p> <p>We have noted that not all Unauthorized, Irregular, Fruitless and wasteful</p>	Leadership did not review and monitor compliance with applicable laws and regulations to ensure that irregular and fruitless and wasteful expenditure is investigated.	CFO/MM	"Management acknowledges the audit finding relating to Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure not being fully investigated as required by MFMA Section 32,	In Progress

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
		expenditure were investigated by the municipality.			<p>and that certain investigation reports were neither finalised nor approved by the MPAC Chairperson nor adopted by Council. It should be noted that the delay in appointing the MPAC Chairperson significantly impacted the timely processing and finalisation of investigations, resulting in several UIF&amp;W cases not being concluded within the planned timelines. Management further confirms that the UIF&amp;W Reduction Strategy has been updated to reflect revised timelines, responsible officials, and strengthened monitoring mechanisms. The updated strategy will be presented at the next Council meeting for approval, after which implementation will commence immediately to improve compliance with MFMA Section 32 and expedite the processing of all outstanding UIFW cases. <b>Progress to Date on Outstanding Investigations</b></p> <p><b>1. Unauthorised Expenditure</b></p> <p>The 2022/23 Unauthorised Expenditure amount of R1 440 575 is currently with MPAC for investigation. The 2023/24 Unauthorised Expenditure amount of R3 508 563, relating to Agency expenditure, was considered by MPAC on</p>	

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
					<p>Wednesday, 12 November 2025.</p> <p><b>2. Irregular Expenditure.</b> The Accounting Officer has already investigated significant irregular expenditure items across multiple financial years, which have been submitted to MPAC for consideration. Total Investigated by Accounting Officer: R117,929,333,61</p> <p><b>3. Fruitless and Wasteful Expenditure (Council Resolution)</b> Management confirms that the Council resolution relating to the R10 million fruitless and wasteful expenditure is attached for audit purposes and will be submitted to the Auditor-General as required. <b>Management Corrective Action Plan</b></p> <p>1. Completion of All Outstanding Investigations All remaining UIFW investigations will be prioritised and finalised by 31 March 2026.2. Strengthening MPAC Capacity Additional administrative, legal, and technical support from PT and local government to MPAC.UIFW Task Team to be established to support the investigation process. (CFO and SCM Officials)3. Quarterly Monitoring and Oversight Quarterly progress reports on UIFW investigations will be submitted to Council and the Audit Committee</p>	

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
4.2		<p><b>COMAF 5: Disciplinary Board Committee</b></p> <p>During the walkthrough of the consequence management business process, it was noted that Council established a Disciplinary Board in terms of section 4(1) of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, under Council Resolution 385/09/2017. The purpose of the Board is to investigate allegations of financial misconduct and to monitor disciplinary proceedings. It was further noted that the committee members were appointed on 08 October 2018 for a period of seven (7) years, which exceeds the maximum term of three (3) years prescribed by the regulations and Mr M Molefe resigned on the 31st of August 2024, but he was not removed as a board member. The disciplinary board members are the following:</p>	<p>Management did not ensure that they monitor compliance with the Financial Misconduct Regulations and the MFMA and</p> <p>The municipality did not exercise the oversight responsibility to prevent the non-compliance with the Financial Misconduct Regulations and the MFMA and the internal control deficiency.</p>	MM	<p>The Municipal Manager's office will monitor Section 32 compliance more rigorously.4. Submission and Approval of Reports All completed UIFW reports will be submitted to MPAC for final review and approval. Council resolutions for the adoption of UIFW reports will be filed and made available for audit purposes.</p> <p>Management agrees to the Audit Finding.</p>	In Progress

No	AR Report line item/Subject line	Audit finding	Auditor General Route Cause	Department/Responsible Official	Management response / Corrective measures	Progress
		1. Mr B Mathibela - Member of the audit committee - Chairperson 2. Mr SG Mokwepa- Provincial Treasury 3. Mr M Molefe - Manager: Legal Services - Resigned on 31 August 2024 4. Ms R Seremo - Head of internal audit				

## APPENDICES

### APPENDIX A: LEADERSHIP

No	Council Members	Directly/ Indirectly Elected	Party
1	Bester, C.J.	Indirectly Elected	Democratic Alliance
2	De Bruin, M.D.	Indirectly Elected	Democratic Alliance
2	Faku, B.S.	Indirectly Elected	Economic Freedom Fighters
3	Hattingh, C. (Resigned 13 June 2024)	Indirectly Elected	Democratic Alliance
4	Hodgson, H.	Indirectly Elected	Democratic Alliance
5	Itebogeng, L.V.	Indirectly Elected	African National Congress
6	Jonas, S.L.	Indirectly Elected	African National Congress
7	Kali, K.B.	Indirectly Elected	Economic Freedom Fighters
8	Kasonkomona, F.	Indirectly Elected	Democratic Alliance
9	Kegontse, K.R.	Indirectly Elected	Economic Freedom Fighters
10	Kloppers, S.P.	Directly Elected	Freedom Front Plus
11	Latha, R.K.	Indirectly Elected	African National Congress
12	Lekgari, T.N.	Directly Elected	African National Congress
13	Lesie, S.J.	Directly Elected	African National Congress
14	Lourens, J.J.	Indirectly Elected	Freedom Front Plus
15	Makgate, M.W.	Directly Elected	African National Congress
16	Mampe, T.R.	Indirectly Elected	African National Congress
17	Mangesi, M.I. (Resigned 02 August 2024)	Indirectly Elected	African National Congress
18	Matsapola, D.M.	Directly Elected	African National Congress
19	Meya, I.T.	Indirectly Elected	African National Congress
20	Mokhele, I.M.	Indirectly Elected	African National Congress
21	Mokone, M.P.	Indirectly Elected	African National Congress
22	Molapisi, L.G.	Directly Elected	African National Congress
23	Mosiane-Segotso, B.E.	Directly Elected	African National Congress
24	Mosholi, R.M. (Resigned 24 October 2024)	Indirectly Elected	African National Congress
25	Mostert, W.A.	Directly Elected	Democratic Alliance
26	Mosweu, M.E. (Resigned 26 November 2024)	Indirectly Elected	Economic Freedom Fighters
27	Motaung, H.M.	Indirectly Elected	Economic Freedom Fighters
28	Mothupi, A	Indirectly Elected	African National Congress
29	Mphafudi Z.E.	Directly Elected	African National Congress
30	Mtshawulana, P.L. (Resigned 31 July 2024)	Indirectly Elected	African National Congress
31	Nxozana, X.C.	Directly Elected	African National Congress
32	Num, N.J.	Directly Elected	African National Congress
33	Oosthuizen-Van Tonder, M.E.	Directly Elected	Freedom Front Plus
34	Rampai, P.E.	Indirectly Elected	African National Congress
35	Rantekane, L.	Indirectly Elected	African National Congress
36	Scott, L.	Indirectly Elected	Freedom Front Plus
37	Sesana, S.P. (Resigned 31 July 2024)	Indirectly Elected	Democratic Alliance
38	Setshoaro, M	Directly Elected	Economic Freedom Fighters

39	Shuping, L.K.	Directly Elected	Economic Freedom Fighters
40	Strydom, H.M.	Directly Elected	Democratic Alliance
41	Terblanche, J.F.	Indirectly Elected	Democratic Alliance
42	Thabanchu, R.O. (Resigned 01 December 2024)	Indirectly Elected	African National Congress
43	Tloome, M.S.	Indirectly Elected	African National Congress
44	Tsolela, N.J.	Indirectly Elected	African National Congress
45	Van Zyl, K.L.	Directly Elected	Democratic Alliance

APPENDIX B: COUNCILLORS, COMMITTEES AND COUNCIL ATTENDANCE

<b>Councillors, Committees Allocated and Council Attendance</b>					
<b>Council Members</b>	<b>Full Time / Part Time</b>	<b>Committees Allocated</b>	<b>*Ward and/ or Party Represented</b>	<b>Percentage Council Meetings Attendance</b>	<b>Percentage non-attendance</b>
				<b>%</b>	<b>%</b>
Cllr. N.J. Num	<b>FT</b>	None	African National Congress	100%	0%
Cllr. X.C. Nxozana	<b>FT</b>	None	African National Congress	100%	0%
Cllr. S.J. Lesie	<b>FT</b>	None	African National Congress	100%	0%
Alderman Cllr. C.J. Bester	<b>PT</b>	Bursary Committee	Democratic Alliance	100%	0%
Cllr. M.D. De Bruin	<b>PT</b>	Technical Services and Special Programs	Democratic Alliance	92.3%	7.7%
Cllr. B.S. Faku	<b>PT</b>	Corporate Services and Budget & BTO	Economic Freedom Fighters	69.2%	30.8%
Cllr. H. Hodgson	<b>PT</b>	Corporate Services and Budget & BTO	Democratic Alliance	92.3%	7.7%
Cllr. L.V. Itebogeng	<b>PT</b>	MMC Corporate Services and ICT	African National Congress	100%	0%
Cllr. S.L. Jonas	<b>PT</b>	MPAC	African National Congress	100%	0%
Cllr. K.B. Kali	<b>PT</b>	Technical Services and Special Programs	Economic Freedom Fighters	83.3%	16.7%
Cllr. F. Kasonkomona	<b>PT</b>	MPAC	Democratic Alliance	100%	0%
Cllr. K. Kegontse	<b>PT</b>	Community Services and LED & Tourism	Economic Freedom Fighters	84.6%	15.4%
Cllr. S.P. Kloppers	<b>FT</b>	Corporate Services and Budget & BTO	Freedom Front Plus	92.3%	7.7%
Cllr. R. Latha	<b>PT</b>	Corporate Services and Budget & BTO Community Services and LED & Tourism	African National Congress	84.6%	15.4%
Cllr. T.N. Lekgari	<b>PR</b>	Community Services and LED & Tourism Portfolio Chairperson	African National Congress	100%	%
Cllr. J.J. Lourens	<b>PT</b>	MPAC	Freedom Front Plus	92.3%	7.7%
Cllr. M.W. Makgate	<b>FT</b>	MMC Community Services	African National Congress	100%	%

<b>Councillors, Committees Allocated and Council Attendance</b>					
<b>Council Members</b>	<b>Full Time / Part Time</b>	<b>Committees Allocated</b>	<b>*Ward and/ or Party Represented</b>	<b>Percentage Council Meetings Attendance</b>	<b>Percentage non-attendance</b>
				<b>%</b>	<b>%</b>
Cllr. T.R. Mampe	<b>PT</b>	MMC Local Economic Development and Tourism	African National Congress	92.3%	7.7%
Cllr. D.M. Matsapola	<b>FT</b>	MMC SPECIAL PROGRAMS	African National Congress	92.3%	0%
Cllr. I.T. Meya	<b>PT</b>	MPAC	African National Congress	100%	0%
Cllr. I. Mokhele	<b>PT</b>	MPAC	African National Congress	100%	0%
Cllr. M. Mokone	<b>PT</b>	MPAC	African National Congress	92.3%	7.7%
Cllr. L.G. Molapisi	<b>FT</b>	MMC Corporate Services and ICT	African National Congress	100%	0%
Cllr. B.E. Mosiane-Segotso	<b>PR</b>	Community Services and LED & Tourism Portfolio  Technical Services and Special Programs Chairperson	African National Congress	92.3%	7.7%
Cllr R. Mosholi	<b>PT</b>	MPAC	African National Congress	75% (3/4 meetings)	25%
Cllr. W.A. Mostert	<b>PR</b>	Corporate Services and Budget & BTO	DEMOCRATIC ALLIANCE	84.6%	15.4%
Cllr. M.E. Mosweu	<b>PT</b>	Technical Services and Special Programs	Economic Freedom Fighters	100%	0%
Cllr. M.H. Motaung.	<b>PT</b>	Bursary Committee	Economic Freedom Fighters	69%	31%
Cllr. A. Mothupi	<b>PT</b>	Corporate Services and Budget & BTO	African National Congress	100%	0%
Cllr. Z.E. Mphafudi	<b>PF</b>	MMC Technical Services	African National Congress	100%	0%
Cllr. M.E. Oosthuizen-Van Tonder	<b>PR</b>	Community Services and LED & Tourism	Freedom Front Plus	100%	0%
Cllr P. Rampai	<b>PT</b>	Corporate Services and Budget & BTO  Community Services and LED & Tourism	African National Congress	92.3%	7.7%

<b>Councillors, Committees Allocated and Council Attendance</b>					
<b>Council Members</b>	<b>Full Time / Part Time</b>	<b>Committees Allocated</b>	<b>*Ward and/ or Party Represented</b>	<b>Percentage Council Meetings Attendance</b>	<b>Percentage non-attendance</b>
				<b>%</b>	<b>%</b>
		Technical Services and Special Programs			
Cllr. L. Rantekane	<b>PT</b>	Technical Services and Special Programs Chairperson	African National Congress	92.3%	7.7%
Cllr. L. Scott	<b>PT</b>	Community Services and LED & Tourism Technical Services and Special Programs	Freedom Front Plus	100%	0%
Cllr. N.M. Setshoaro	<b>PR</b>	Technical Services and Special Programs	Economic Freedom Fighters	100%	0%
Cllr. L.K. Shuping	<b>PR</b>	MPAC	Economic Freedom Fighters	100%	0%
Cllr. H.M. Strydom	<b>PR</b>	Technical Services and Special Programs	Democratic Alliance	100%	0%
Cllr. F.J. Terblanche	<b>PT</b>	MPAC	Democratic Alliance	76.9%	23.1%
Cllr O.R. Thabanchu	<b>PT</b>	MMC Budget and Treasury	African National Congress	66.6% (4/6 meetings)	33.4%
Cllr. M. Tloome	<b>PT</b>	Community Services and LED & Tourism Technical Services and Special Programs	African National Congress	100%	0%
Cllr. N.J. Tsolela	<b>PT</b>	MPAC	African National Congress	90%	10%
Cllr. K.L. Van Zyl	<b>PR</b>	Community Services and Led & Tourism	Democratic Alliance	84.6%	15.4%

APPENDIX C: PORTFOLIO COMMITTEES

<b>MMCs</b> Cllr L.G. Molapisi Cllr O.R. Thabanchu (Resigned December 2024) Cllr I.V. Itebogeng (Appointed as MMC in June 2025)	<b>MMCs</b> Cllr M.W. Makgate (Demoted in June 2025) Cllr T.R. Mampe Cllr T.N. Lekgari (Appointed as MMC in June 2025)	<b>MMCs</b> Cllr Z.E. Mphafudi Cllr D.M. Matsapola
<b>CHAIRPERSON</b> Vacant	<b>CHAIRPERSON</b> Cllr T.N. Lekgari (Vacant starting June 2025)	<b>CHAIRPERSON</b> Cllr L. Rantekane
Cllr Latha Cllr Rampai Cllr Faku Cllr Hodgson Cllr Mostert Cllr Kloppers Ald. Cllr Mosiane-Segotso	Cllr Latha Cllr Rampai Cllr Tloome Cllr Scott Cllr Kegontse Cllr Van Zyl Cllr Oosthuizen Van-Tonder	Cllr Tloome Cllr Rampai Cllr Kali Cllr Setshoaro Cllr Strydom Cllr Scott Ald. Cllr Mosiane-Segotso

APPENDIX D: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS (MPAC)

NO	Name	Direct/ Indirect	Party	Changes during 2024/25 FY
1	Cllr James Tsolela MPAC Chairperson	Indirectly elected	ANC	Replaced Cllr MI Mangesi as of October 2024.
2	Cllr Innocent Mokhele	Indirectly elected	ANC	
3	Cllr Matumelo Mokone	Indirectly elected	ANC	
4	Cllr Lucas Jonas	Indirectly elected	ANC	
5	Cllr Issac Meya	Indirectly elected	ANC	
6	Cllr Hannes Lourens	Indirectly elected	FF+	
7	Cllr Francis Kasonkomona	Indirectly elected	DA	Replaced Cllr SP Sesana as of October 2024.
8	Cllr Juanita Terblanche	Indirectly elected	DA	
9	Cllr Lerina Strydom	Directly elected	DA	Replaced Cllr Madra DE Bruin as of April 2025.
10	Cllr Lentikile Shuping	Directly elected	EFF	
11	Cllr Robert Mosholi	Indirectly elected	ANC	Resigned on the 18 <sup>th</sup> of September 2024, and is yet to be replaced.

APPENDIX E: MANAGEMENT

(Status as at end June 2025)

Management	
Directorate	Senior Manager/Manager
Office of the Municipal Manager	<b>Municipal Manager-</b> Mokgatlhe J. Ratlhogo
	<b>PMS Manager-</b> O Baloyi
	<b>IDP Manager-</b> T Mokatsane
	<b>Chief Risk Officer-</b> L Motepe
	<b>Communications Manager-</b> X Mndaweni
Budget and Treasury Office	<b>MISS Manager -</b> N.N Fihla
	<b>Chief Finance Officer-</b> J. Brown (Acting)
	<b>Chief Finance Officer-</b> Mr L. Steenkamp
	<b>Deputy CFO-</b> T Nqobe
Corporate Services	<b>Deputy Director-</b> J Brown
	<b>Senior Manager Corporate Services-</b> O. Baloyi (Acting)
	<b>Senior Manager Corporate Services-</b> L.M Ramorola (Acting)
	<b>HR Manager-</b> T Mothibedi
	<b>Manager Records &amp; Admin-</b> N Moloto (Acting)
	<b>Manager Legal-</b> M.B Molefe
	<b>Manager Legal-</b> J. Seodisha (Acting)
<b>Mananager IT-</b> M. Khoali (Acting)	
Community Services	<b>Senior Manager Community Services-</b> A.K.T Sothoane (Acting)
	<b>Senior Manager Community Services-</b> T. Mosebi (Acting)
	<b>Manager Matlosana-</b> K Tenza
	<b>Manager JB Marks-</b> F Matlhakola
	<b>Manager Maquassi Hills-</b> T Mosebi
Local Economic Development and Planning	<b>Senior Manager Local Economic Development and Planning-</b> T.M Rampedi
	<b>Manager Technical Services-</b> K.T Tshukudu
	<b>Manager LED-</b> L.M Ramorola
	<b>Manager LED-</b> T. Phakoe (Acting)
Chief Audit Executive	<b>Chief Audit Executive-</b> S.G Mtemekwana
	<b>Manager Internal Audit-</b> R Tshukudu
Managers in Political Offices	<b>Chief of Staff-</b> X Mndaweni (Acting)
	<b>Manager Office of the Speaker-</b> F.Canga
	<b>Manager Office of the Whip of Council-</b> M. Matsose
	<b>Manager Municipal Public Accounts Committee-</b> M Taunyane (Acting)

## APPENDIX F: MUNICIPAL FUNCTIONS

- Fire Fighting
- Regional Tourism
- Municipal Airport
- Municipal Planning
- Municipal Health Services
- Municipal Public Transport
- Cemeteries, Funeral Parlours and Crematoria
- Markets
- Municipal Abattoirs
- Disaster Management

APPENDIX G: REVENUE PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						R' 000
Vote Description	Year - 2023 /2024	Current: 2024/2025		Year 2024 / 2025 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
<b>Revenue by Vote</b>						
Vote 01 - Executive & Council	-	-	-	-	-	-
Vote 02 - Municipal Manager	-	-	-	-	-	-
Vote 03 - Corporate Services	2 593	3 500	3 500	1 095	-0,69%	-0,69%
Vote 04 - Financial Services	223 987	228 809	229 344	225 052	-0,02%	-0,02%
Vote 05 - LED & Planning	5 686	8 213	7 883	7 883	-0,05%	-0,05%
Vote 06 - Community Services	960	650	1 360	1 375	1,12%	0,01%
<b>Total Revenue by Vote</b>	<b>233 226</b>	<b>241 172</b>	<b>242 087</b>	<b>235 405</b>	<b>-0,02%</b>	<b>-0,03%</b>

## APPENDIX H: REVENUE PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						R' 000
Vote Description	Year - 2023 /2024	Current: 2024/2025		Year 2024 / 2025 Variance		
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
<b>Revenue By Source</b>						
Property rates	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-
Interest earned - external investments	9 179	8 980	10 000	5 723	-0,36%	-0,43%
Interest earned - outstanding debtors	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Licences and permits	660	650	1 360	1 375	1,12%	0,01%
Agency services	-	-	-	-	-	-
Transfer Revenue - Government Grants & Subsidies	223 127	231 022	230 692	228 286	-0,01%	-0,01%
Other revenue	260	520	35	21	-0,96%	-0,40%
Gains on disposal of PPE	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>233 226</b>	<b>241 172</b>	<b>242 087</b>	<b>235 405</b>	<b>-0,02%</b>	<b>-0,03%</b>

## APPENDIX I: CONDITIONAL GRANTS

Conditional Grants: Excluding MIG						R' 000
Details	Current: 2024 /2025			Year 2024 / 2025 Variance		Major Conditions applied by Donor (continue below if necessary)
	Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<b>Other Specify</b>						
Rural Roads Asset Management	2 761	2 761	2 761	0%	0%	
Financial Management Grant	1 000	1 000	1 000	0%	0%	
Expanded Public Works Programme	1 452	1 122	1 122	0%	0%	
Energy Efficiency and Demand-Side Ma	4 000	4 000	4 000	0%	0%	
LG SETA Mandatory Grant	3 500	3 500	1 096	1%	1%	
Disaster Capacity Grant	-	-	-	0%	0%	
<b>Total</b>	<b>12 713</b>	<b>12 383</b>	<b>9 979</b>	<b>0%</b>	<b>0%</b>	

## APPENDIX J: CAPITAL EXPENDITURE

Capital Expenditure - New Assets Programme							R '000
Description	2023/24	Budget Year 2024/25			Planned Capital Expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Capital expenditure on new assets by Asset Class</b>							
<b>Infrastructure Total</b>	<b>10 880</b>	<b>1 000</b>	<b>-</b>	<b>-</b>	<b>2 000</b>	<b>2 000</b>	<b>1 600</b>
<b>Roads Infrastructure</b>	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-
<b>Electrical Infrastructure</b>	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-
<b>Water Supply Infrastructure</b>	<b>10 880</b>	-	-	-	<b>2 000</b>	<b>2 000</b>	<b>1 600</b>
Dams and Weirs	-	-	-	-	-	-	-
Boreholes	10 880	-	-	-	2 000	2 000	1 600
Reservoirs	-	-	-	-	-	-	-
<b>Sanitation Infrastructure</b>	-	<b>1 000</b>	-	-	-	-	-
Waste Water Treatment Works	-	1 000	-	-	-	-	-
<b>Community Assets</b>	-	<b>6 500</b>	-	-	<b>1 700</b>	-	-
<b>Community Facilities</b>	-	<b>6 500</b>	-	-	<b>1 700</b>	-	-
Halls	-	-	-	-	-	-	-
Centres	-	2 000	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-
Parks	-	4 500	-	-	1 700	-	-
<b>Sport and Recreation Facilities</b>	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-
<b>Other assets</b>	<b>21 428</b>	<b>1 000</b>	-	-	<b>800</b>	<b>200</b>	<b>100</b>
<b>Operational Buildings</b>	<b>21 428</b>	<b>1 000</b>	-	-	<b>800</b>	<b>200</b>	<b>100</b>
Municipal Offices	21 428	1 000	-	-	800	200	100
Yards	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
<b>Intangible Assets</b>	<b>1 611</b>	<b>3 800</b>	<b>2 210</b>	<b>2 319</b>	<b>3 350</b>	<b>1 850</b>	<b>500</b>
Servitudes	-	-	-	-	-	-	-
<b>Licences and Rights</b>	<b>1 611</b>	<b>3 800</b>	<b>2 210</b>	<b>2 319</b>	<b>3 350</b>	<b>1 850</b>	<b>500</b>
Computer Software and Applications	1 611	3 800	2 210	2 319	3 350	1 850	500
<b>Computer Equipment</b>	<b>799</b>	<b>2 500</b>	<b>493</b>	<b>1 235</b>	<b>700</b>	<b>1 100</b>	<b>580</b>
Computer Equipment	799	2 500	493	1 235	700	1 100	580
<b>Furniture and Office Equipment</b>	<b>234</b>	<b>2 100</b>	<b>600</b>	<b>592</b>	<b>600</b>	<b>700</b>	<b>400</b>
Furniture and Office Equipment	234	2 100	600	592	600	700	400
<b>Machinery and Equipment</b>	<b>1 210</b>	<b>4 550</b>	-	-	<b>2 700</b>	<b>2 300</b>	<b>1 300</b>
Machinery and Equipment	1 210	4 550	-	-	2 700	2 300	1 300
<b>Transport Assets</b>	-	<b>8 500</b>	<b>7 207</b>	<b>7 205</b>	<b>2 000</b>	<b>500</b>	<b>350</b>
Transport Assets	-	8 500	7 207	7 205	2 000	500	350
<b>Land</b>	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>36 162</b>	<b>29 950</b>	<b>10 510</b>	<b>11 351</b>	<b>13 850</b>	<b>8 650</b>	<b>4 830</b>

APPENDIX K: FINANCIAL DISCLOSURES

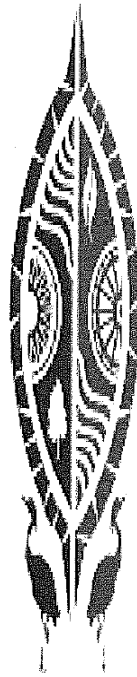
<b>Disclosures of Financial Interests</b>		
<b>Period 1 July 2024 to 30 June of Year 2025</b>		
<b>Position</b>	<b>Name</b>	<b>Description of Financial interests (Nil / Or details)</b>
Executive Mayor	N.J. Num	Nil
Speaker of Council	X.C. Nxozana	X.C Vanguard – Sole directorship Loan – R500 000 Bolt - ehailing
Single Whip of Council	S.J. Lesie	Nil
MMC Finance	R.O Thabanchu (Till November 2024)	Thabanchu Trading – 100% shares - Director Ka Lerato Guesthouse – 50% shares - Director Reflexuo Medical – 100% shares - Director
	L.G Molapisi (from 09/06/2025)	Nil
MMC Corporate Services	L.G Molapisi	Nil
	L.V Itebogeng (from 09/06/2025)	LTM Itebogeng (PTY) LTD
MMC Community Services	M.W Makgate	SANLAM Phuthumanathi Kelephoka0110 (PTY) LTD - Director
	T.N. Lekgari (from 09/06/2025)	Nil
MMC LED & Tourism	T.R Mampe	N/A
MMC Technical Services	Z.E Mphafudi	Nil
MMC Special Programs	D.M Matsapola	Nil
<b>Councillors</b>		
	C.J. Bester	Nil
	M.D. De Bruin	Nexor Properties – Finance Specialist
	B.S. Faku	N/A
	H. Hodgson	Heinricha Hodgson Inc - 100% shares 2015/035451/21 – Director Potchefstroom Kunstefees NPC – Non executive Izikhlo Lethemba NPO – Non executive
	S.L. Jonas	Nil
	K.B. Kali	Nil
	F. Kasonkomona	Nkumbu Trading – 40% shares 2009/123266/23 Cadillac Business Solution CC – 100% shares 2010/105293/23
	K.R. Kegontse	Nil

	S.P. Kloppers	Wonderbelt KLD – 50% shares
	R.K. Latha	Nil
	T.N. Lekgari	Nil
	J.J. Lourens	Nil
	M.I. Mangesi	N/A
	I.T. Meya	Nil
	I.M. Mokhele	Nil
	M.P. Mokone	N/A
	R.M. Mosholi	Tsalegae Trading Enterprise – 100% Reg: 2013/131661/07
	B.E. Mosiane-Segotso	N/A
	W.A. Mostert	SANLAM – 579 shares Old Mutual – 300 shares
	M.E. Mosweu	Nil
	H.M. Motaung	Nil
	A. Mothupi	Nil
	M.E. Oosthuizen-Van Tonder	South African Air Cadet (NPO) Reg: K2018333375 – Director
	P.E. Rampai	Nil
	L. Rantekane	Nil
	L. Scott	Nil
	N.M. Setshoaro	Ditsherofatso Tsame Creations – Director 2016/290913/07
	L.K. Shuping	Nil
	H.M. Strydom	Be DA Change – Non profit 2023/795994/08
	J.F. Terblanche	Nil
	M.S. Tloome	Mmmusa Setshaba Trading Enterprise (PTY) LTD – 100% Reg: 2019/06911/07
	M.S. Tloome	Nil
	K.L. Van Zyl	Nil
Municipal Manager	M.J Ratlhogo	Nil
Chief Financial Officer	J. Brown (Acting)	NLC Projects 2021/621077/07
	L.P Steenkamp	Nil
LED & Planning	T.M Rampedi	Nil
Community Services	T. Mosebi (Acting)	Horina Envirosolutions
	A.K.T Sothoane (Acting)	Nil
Chief Audit Executive	S.G Mtemekwana	Nil
Corporate Services	O Baloyi (Acting)	Nil
	L.M Ramorola (Acting)	LM Spectra (Pty) Ltd-100% 2020/876765/07

VOLUME II: ANNUAL FINANCIAL STATEMENTS

DR. KENNETH  
KAUNDA

DISTRICT MUNICIPALITY



Dr Kenneth Kaunda District Municipality  
Annual Financial Statements  
for the yearended June 30, 2025

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### General Information

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Legal form of entity	District Municipality
<b>Members of Council</b>	
Executive Mayor	Num, Nikiwe Julia
Speaker	Nxozana, Xolile Christopher
Chief Whip	Lesie, Serame Jeffrey
Chairperson MPAC	James Ntlupheko Tsolela (Appointed 20 September 2024)
Member of Mayoral Committee	Lekgari TN (Community Services)
	Mampe, Tibane Raymond (Local Economic Development and Tourism)
	Matsapola, Dinah Mpho (Special programs Portfolio)
	Itebogeng LV (Corporate Services) (Appointed 02 April 2025)
	Molapisi LG (Budget and Treasury Office)
	Mphafudi, Zanele Ezekiel (Technical services)
Part-time Councillors	Beste, Christiaan Johannes
	Faku, Banele Sydwell
	De Bruin, Madra Dirkie (Appointed 29 July 2024)
	Jonas, Seunkie Lucas
	Kegontse, Kedibone Rosina
	Latha, Khatazile Rhoda
	Meya, Isaac Thomson
	Mokhele, Innocent Mosuwa
	Mokone, Matumelo Pauline
	Kasonkomona Francis (Appointed 20 September 2024)
	Scott Lee-Ann
	Motaung, Hellen Mapule
	Rantekane Lesego
	Mothupi, Abigail (Appointed 20 September 2024)
	Mosweu, Madikgapa Elisa (Resigned 26 November 2024)
	Scott, Lee-ann
	Terbanche, Johanna Fredrika (Appointed 29 July 2024)
	Tloome, Mafinki Stephen
	Hadson Heinricha
	Makgate, Mamosoew Wendy
	Lourens Johannes Jakobus
	Kali Kgotso Bennet (Appointed 28 January 2025)
	Mosholi, Metholo Robert (Resigned 24 October 2024)
	Van tonder, Matthys Jacobus
	Sesana, Songanyi Patrick (Resigned 31 July 2024)
Directly Elected Councillors	Stephanus Petrus Klopper (Appointed 29 July 2024)
	Mosiane, Segotso Barei Elizabeth
	Mostert, Willem Andries
	Mtshawulana, Portia Yanga (Resigned 31 July 2024)
	Setshoaro, Nonky Mary
	Oosthuizen-Van Tonder, Mariska Elizabeth
	Shuping, Lentikile Koos

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### General Information

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	Strydom, Hendrina Margaretha Van Zyl, Karina Lizette Mtshawulana, Portia Yanga (Resigned 31 July 2024) Thabanchu, Osebelwang Rosy (Resigned 01 December 2024)
<b>Chief Finance Officer (CFO)</b>	Jeanne-Marie Brown-Chief Financial Officer
<b>Accounting Officer</b>	Mokgathe J Ratlhogo-Municipal Manager
<b>Registered office</b>	Civic Centre Patmore Road Orkney 2620
<b>Business address</b>	Civic Centre Patmore Road Orkney 2620
<b>Postal address</b>	Private Bag X5017 Klerksdorp 2570
<b>Bankers</b>	ABSA
<b>Auditors</b>	Auditor General of South Africa

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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Statement of Financial Performance	8
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#### Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
SALGA	South African Local Government Association
LGSETA	Local Government Services Sector Education and Training Authority
MPAC	Municipal Public Accounts Committee

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Accounting Officer's Responsibilities and Approval

---

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to June 30, 2026 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out on page Pages 7 to 11, which have been prepared on the going concern basis, were approved by the accounting officer on August 31, 2025



Accounting Officer  
Mokgathe J Rallhogo (Municipal Manager)

## **Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended 30 June 2025

### **Accounting Officer's Report**

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The accounting officer submits his report for the year ended June 30, 2025.

#### **1. Review of activities**

##### **Main business and operations**

The municipality is engaged in providing the following municipal services as per the Intergrated Development Plan and operates principally in South Africa:

1. Basic service delivery and Infrastructre development
2. Municipal Institutional developement transformation
3. District Economic Development
4. Financial viabilty and management
5. Good governance and public participation
6. Spatial rationale

#### **2. Going concern**

We draw attention to the fact that the below figures are in rands and at June 30, 2025, the municipality had an accumulated surplus (deficit) of 55,035,306 and that the municipality's total assets exceed its liabilities by 55,035,306.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

#### **3. Subsequent events**

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year, that may need to be adjusted for or disclosed in the annual financial statements

#### **4. Accounting policies**

The annual financial statements are prepared in accordance with the South African Statements of Generally Recognised Accounting Practice (GRAP), including any interpretations of such statements issued by the Accounting Practices Board and the Accounting Standard Board as the prescribed framework by National Treasury.

#### **5. Auditors**

Auditor General of South Africa will continue in office for the next financial period.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Accounting Officer's Report

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#### 6. Non-compliance with applicable legislation

In terms of section 65 (2)(e) of the Municipal Finance Act (No. 56 of 2003), all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, the municipality, could not settle all money owing within the prescribed period.

Award of a tender/Quote to persons in the employment of state

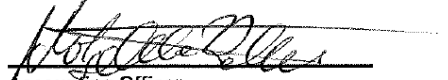
Non-compliance with MFMA section 116- Procuring on expired contract

Non-compliance with MFMA section 75 by not placing all key documents and information on municipal website

Non-compliance with MFMA section 11(4) to report to council on all withdrawals made in terms of subsection 1 (b) during the quarter

Non-compliance with MFMA section 131 not addressing all audit findings raised during 2023/2024 audit.

The annual financial statements set out on pages 7 to 11, which have been prepared on the going concern basis, were approved by the accounting officer on August 31, 2025 and were signed on its behalf by:



Accounting Officer  
Mokgathe J Ratlhogo (Municipal Manager)

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Statement of Financial Position as at June 30, 2025

Figures in Rand	Note(s)	2025	2024 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Receivables from exchange transactions	8	3,072,731	2,782,351
Receivables from non-exchange transactions	9	166,000	-
VAT receivable	10	1,795,285	1,005,408
Cash and cash equivalents	11	43,427,088	45,084,089
		<b>48,461,104</b>	<b>48,871,848</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	3	56,316,475	50,799,708
Intangible assets	4	8,788,457	8,718,747
		<b>65,104,932</b>	<b>59,518,455</b>
<b>Total Assets</b>		<b>113,566,036</b>	<b>108,390,303</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	5	12,004,451	8,423,463
Payables from non-exchange transactions	6	348,023	347,159
Employee benefit obligations	7	21,037,152	18,979,938
Unspent conditional grants and receipts	13	3,104	3,000
Long service award liability	14	212,000	1,291,000
		<b>33,604,730</b>	<b>29,044,560</b>
<b>Non-Current Liabilities</b>			
Employee benefit obligations	7	19,844,000	17,106,000
Long service award liability	14	5,082,000	4,311,000
		<b>24,926,000</b>	<b>21,417,000</b>
<b>Total Liabilities</b>		<b>58,530,730</b>	<b>50,461,560</b>
<b>Net Assets</b>		<b>55,035,306</b>	<b>57,928,743</b>
Accumulated surplus	12	55,035,306	57,928,743
<b>Total Net Assets</b>		<b>55,035,306</b>	<b>57,928,743</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Sale of tender documents		3,478	20,957
Fees earned		-	103,810
Commissions received		17,133	135,744
Licensing and permits		1,374,873	659,960
Interest received - investment	16	5,723,356	9,178,792
<b>Total revenue from exchange transactions</b>		<b>7,118,840</b>	<b>10,099,263</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants & subsidies	18	228,286,446	222,258,561
<b>Total revenue</b>	15	<b>235,405,286</b>	<b>232,357,824</b>
<b>Expenditure</b>			
Employee related costs	19	(144,145,038)	(130,310,549)
Remuneration of councillors	20	(11,668,517)	(12,159,180)
Depreciation and amortisation	21	(5,701,649)	(3,542,341)
Contracted Services	24	(40,805,927)	(43,487,032)
Transfers and Subsidies	17	(1,401,214)	(4,191,610)
General expenses	23	(32,115,597)	(55,898,983)
<b>Total expenditure</b>		<b>(235,837,942)</b>	<b>(249,589,695)</b>
<b>Operating deficit</b>	26	<b>(432,656)</b>	<b>(17,231,871)</b>
Gain on leave/Bonus provision		(1,990,244)	(3,239,213)
Actuarial gains/losses	7	(416,000)	(125,000)
Gain (loss) on disposal of assets		(54,541)	30,361
		<b>(2,460,785)</b>	<b>(3,333,852)</b>
<b>Deficit for the year</b>		<b>(2,893,441)</b>	<b>(20,565,723)</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Opening balance as previously reported	81,391,623	81,391,623
Adjustments		
Prior year adjustments	(2,897,157)	(2,897,157)
<b>Balance at July 1, 2023 as restated*</b>	<b>78,494,466</b>	<b>78,494,466</b>
Changes in net assets		
Deficit for the year	(20,565,723)	(20,565,723)
Total changes	(20,565,723)	(20,565,723)
<b>Restated* Balance at July 1, 2024</b>	<b>57,928,747</b>	<b>57,928,747</b>
Changes in net assets		
Surplus for the year	(2,893,441)	(2,893,441)
Total changes	(2,893,441)	(2,893,441)
<b>Balance at June 30, 2025</b>	<b>55,035,306</b>	<b>55,035,306</b>
Note(s)		

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Government grants and subsidies		228,120,550	222,258,561
Interest income		5,411,479	10,347,914
Cash receipts from charges of goods and services		1,395,484	1,333,162
		<u>234,927,513</u>	<u>233,939,637</u>
<b>Payments</b>			
Employee costs		(142,045,047)	(127,832,673)
Suppliers		(70,127,069)	(112,934,585)
Transfer payments		(1,401,214)	(4,191,610)
Remuneration of Councillors		(11,668,517)	(12,159,180)
		<u>(225,241,847)</u>	<u>(257,118,048)</u>
<b>Net cash flows from operating activities</b>	25	<b>9,685,666</b>	<b>(23,178,411)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(9,023,744)	(26,235,364)
Purchase of intangible assets	4	(2,318,923)	(2,284,509)
<b>Net cash flows from investing activities</b>		<b>(11,342,667)</b>	<b>(28,519,873)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,657,001)</b>	<b>(51,698,284)</b>
Cash and cash equivalents at the beginning of the year		45,084,089	96,782,373
<b>Cash and cash equivalents at the end of the year</b>	11	<b>43,427,088</b>	<b>45,084,089</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
<b>Statement of Financial Performance</b>						
<b>Revenue</b>						
<b>Revenue from exchange transactions</b>						
Sale of tender documents	100,000	(95,000)	5,000	3,478	(1,522)	Note 40
Other Income	150,000	(150,000)	-	-	-	
Sale of assets	100,000	(100,000)	-	-	-	Note 40
Commissions received	170,000	(140,000)	30,000	17,133	(12,867)	Note 40
License and permits	650,000	710,000	1,360,000	1,374,873	14,873	Note 40
Interest received - investment	8,980,000	1,020,000	10,000,000	5,723,356	(4,276,644)	Note 40
<b>Total revenue from exchange transactions</b>	<b>10,150,000</b>	<b>1,245,000</b>	<b>11,395,000</b>	<b>7,118,840</b>	<b>(4,276,160)</b>	
<b>Revenue from non-exchange transactions</b>						
<b>Transfer revenue</b>						
Government grants & subsidies	231,022,000	(330,000)	230,692,000	228,286,446	(2,405,554)	Note 40
<b>Total revenue</b>	<b>241,172,000</b>	<b>915,000</b>	<b>242,087,000</b>	<b>235,405,286</b>	<b>(6,681,714)</b>	
<b>Expenditure</b>						
Employee related costs	(134,489,974)	(19,359,000)	(153,848,974)	(144,145,038)	9,703,936	Note 40
Remuneration of councillors	(13,191,805)	783,000	(12,408,805)	(11,668,517)	740,288	Note 40
Depreciation and amortisation	(7,183,565)	-	(7,183,565)	(5,701,649)	1,481,916	Note 40
Contracted Services	(40,373,000)	(569,175)	(40,942,175)	(40,805,927)	136,248	Note 40
Transfers and Subsidies	(4,530,000)	3,128,000	(1,402,000)	(1,401,214)	786	Note 40
General Expenses	(41,190,656)	8,251,961	(32,938,695)	(32,115,597)	823,098	Note 40
<b>Total expenditure</b>	<b>(240,959,000)</b>	<b>(7,765,214)</b>	<b>(248,724,214)</b>	<b>(235,837,942)</b>	<b>12,886,272</b>	
<b>Operating deficit</b>	<b>213,000</b>	<b>(6,850,214)</b>	<b>(6,637,214)</b>	<b>(432,656)</b>	<b>6,204,558</b>	
Gain on leave/Bonus provision	-	-	-	(1,990,244)	(1,990,244)	
Actuarial gains/losses	-	-	-	(416,000)	(416,000)	
Loss on non-current assets held for sale or disposal groups	-	-	-	(54,541)	(54,541)	Note 40
	-	-	-	(2,460,785)	(2,460,785)	
<b>Operating surplus/(deficit)</b>	<b>213,000</b>	<b>(6,850,214)</b>	<b>(6,637,214)</b>	<b>(2,893,441)</b>	<b>3,743,773</b>	
<b>Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement</b>	<b>213,000</b>	<b>(6,850,214)</b>	<b>(6,637,214)</b>	<b>(2,893,441)</b>	<b>3,743,773</b>	

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Significant Accounting Policies

Figures in Rand	Note(s)	2025	2024
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### 1. Presentation of Annual Financial Statements

The significant accounting policies applied in the preparation of these annual financial statements are set out below. The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

#### 1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

#### 1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

#### 1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

#### Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

## **Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended 30 June 2025

### **Significant Accounting Policies**

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#### **1.3 Significant judgements and sources of estimation uncertainty (continued)**

##### **Fair value estimation**

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the municipality is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using valuation techniques. The municipality uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the municipality for similar financial instruments.

The carrying amount of available-for-sale financial assets would be an estimated - lower or - higher were the discounted rate used in the discount cash flow analysis to differ by 10% from management's estimates.

##### **Impairment testing**

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

##### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note - Provisions.

##### **Useful lives of waste and water network and other assets**

The municipality's management determines the estimated useful lives and related depreciation charges for the waste water and water networks. This estimate is based on industry norm. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives.

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Significant Accounting Policies

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### 1.3 Significant judgements and sources of estimation uncertainty (continued)

#### Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 7.

#### Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

#### Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

### 1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.4 Property, plant and equipment (continued)

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

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Item	Depreciation method	Average useful life
Machinery and equipment	Straight-line	2-12 years
Furniture and office equipment	Straight-line	3-10 years
Transport Assets	Straight-line	.
*Motor vehicle	Straight-line	4 years
*Computer equipment	Straight-line	3-5 years
Infrastructure assets	Straight-line	.
*Wifi equipment	Straight-line	3 years
*Telecommunication	Straight-line	5 years
*Access control	Straight-line	3 years
Community assets	Straight-line	.
*Land	Straight-line	No depreciation
*Car parks	Straight-line	30 years
*Car ports	Straight-line	10 years
*Fencing	Straight-line	10 years
*Mobile offices	Straight-line	10 years
*Mobile storage units	Straight-line	10 years
*Buildings	Straight-line	25 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.4 Property, plant and equipment (continued)

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note ).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ).

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal

#### 1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.5 Intangible assets (continued)

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

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Item	Depreciation method	Average useful life
Computer software, other	Straight-line	3-5 years

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The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note ).

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.5 Intangible assets (continued)

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

#### 1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.6 Financial instruments (continued)

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.6 Financial instruments (continued)

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
  - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
  - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
  - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
  - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

#### Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other Financial assets	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Other Financial liabilities	Financial liability measured at amortised cost
Payables from exchange transactions	Financial liability measured at amortised cost
Payables from non-exchange transactions	Financial liability measured at amortised cost

#### 1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

#### Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease.

Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

## Dr Kenneth Kaunda District Municipality

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### Significant Accounting Policies

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#### 1.7 Leases (continued)

##### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the . Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

##### Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

##### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

#### 1.8 Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents comprise bank balances, cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less which are available on demand.

Some equity investments are included in cash equivalents when they are, in substance, cash equivalents.

Bank overdrafts which are repayable on demand forms an integral part of the entity's cash management activities, and as such are included as a component of cash and cash equivalents.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.9 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

#### Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

#### Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

## **Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended 30 June 2025

### **Significant Accounting Policies**

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#### **1.9 Impairment of cash-generating assets (continued)**

##### **Basis for estimates of future cash flows**

In measuring value in use the municipality:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

##### **Discount rate**

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.9 Impairment of cash-generating assets (continued)

##### Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.9 Impairment of cash-generating assets (continued)

##### Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

#### 1.10 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.10 Impairment of non-cash-generating assets (continued)

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

#### Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Significant Accounting Policies

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### 1.11 Employee benefits

#### Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- Additional textshort-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that servi

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.11 Employee benefits (continued)

##### Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides postemployment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

##### Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Significant Accounting Policies

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#### 1.11 Employee benefits (continued)

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognises actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Assets held by a long-term employee benefit fund are assets (other than non-transferable financial instruments issued by the reporting entity) that are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits and are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either

- the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or
- the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts

- the present value of the defined benefit obligation at the reporting date;

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Significant Accounting Policies

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### 1.11 Employee benefits (continued)

- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, an entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, an entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Significant Accounting Policies

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### 1.11 Employee benefits (continued)

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

#### Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
  - those changes were enacted before the reporting date; or
  - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

#### Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

## Dr Kenneth Kaunda District Municipality

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#### 1.11 Employee benefits (continued)

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### 1.12 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus (deficit).

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

## Dr Kenneth Kaunda District Municipality

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#### 1.12 Provisions and contingencies (continued)

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
  - the activity/operating unit or part of an activity/operating unit concerned;
  - the principal locations affected;
  - the location, function, and approximate number of employees who will be compensated for services being terminated;
  - the expenditures that will be undertaken; and
  - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 29.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement.

Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, a municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

## Dr Kenneth Kaunda District Municipality

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#### 1.12 Provisions and contingencies (continued)

##### Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability is added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the entity consider whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.9 and 1.10.

If the related asset is measured using the revaluation model:

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
  - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
  - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;
- in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit;
- a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit and net assets. If a revaluation is necessary, all assets of that class is revalued; and
- the Standard of GRAP on Presentation of Financial Statements requires disclosure on the face of the statement of changes in net assets of each item of revenue or expense that is recognised directly in net assets. In complying with this requirement, the change in the revaluation surplus arising from a change in the liability is separately identified and disclosed as such.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur. This applies under both the cost model and the revaluation model.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

#### 1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

## Dr Kenneth Kaunda District Municipality

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#### 1.13 Revenue from exchange transactions (continued)

##### Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non-contractual) arrangement (see the accounting policy on Statutory Receivables).

##### Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

# Dr Kenneth Kaunda District Municipality

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### 1.13 Revenue from exchange transactions (continued)

#### Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

### 1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange, or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

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#### 1.14 Revenue from non-exchange transactions (continued)

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

#### Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments, and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

#### 1.15 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

#### 1.16 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

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### 1.17 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense

### 1.18 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy..

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred, unless it is impractical to determine, in which case reasons therefore must be provided in the notes

Irregular expenditure receivables are measured at the amount that is expected to be recovered and are de-recognised when settled or written-off as irrecoverable

### 1.19 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

#### Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

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#### **1.20 Budget information**

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 7/1/2023 to 6/30/2024.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

#### **1.21 Related parties**

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

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#### 1.22 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

#### 1.23 Separate financial statements

Consolidated financial statements are the financial statements of the economic entity in which the assets, liabilities, net assets, revenue, expenses and cash flows of the entity as a controlling entity, and its controlled entities, are presented as those of a single economic entity.

The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's surplus or deficit includes its share of the investee's surplus or deficit and the investor's net assets includes its share of changes in the investee's net assets that have not been recognised in the investee's surplus or deficit.

An investment entity is an entity that obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services, that has the purpose of investing funds solely for returns from capital appreciation, investment revenue, and which measures and evaluates the performance of substantially all of its investments on a fair value basis.

Separate financial statements are those presented by the entity, in which the entity could elect to account for its investments in controlled entities, joint ventures and associates either at cost, in accordance with the GRAP Standard on Financial Instruments or using the equity method as described in the accounting policies on Investments in Associates and Joint Ventures.

In the entity's separate financial statements, investments in controlled entities, associates and joint ventures are carried at cost;

In the entity's separate financial statements, investments in controlled entities are carried at cost;

In the entity's separate financial statements, investments in associates are carried at cost;

In the entity's separate financial statements, investments in joint ventures are carried at cost.

Separate financial statements are prepared in accordance with all applicable accounting policies, except:

- Similar investments in controlled entities are accounted for at cost;
- Joint ventures are accounted for at cost;
- Associates are accounted for at cost.

The entity as a controlling entity, which is not itself an investment entity, measures its investment in a controlled investment entity in accordance with the above, in its separate financial statements.

When the entity as controlling entity ceases to be an investment entity, or becomes an investment entity, it accounts for the change from the date when the change in status occurred, as follows:

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#### 1.23 Separate financial statements (continued)

- When the entity ceases to be an investment entity, the entity accounts for an investment in a controlled entity in accordance with the above. The date of the change of status is the deemed acquisition date. The fair value of the controlled entity at the deemed acquisition date represents the transferred deemed consideration when accounting for the investment as above.
- When the entity becomes an investment entity, it accounts for an investment in a controlled entity at fair value. The difference between the previous carrying amount of the controlled entity and its fair value at the date of the change of status is recognised as a gain or loss in surplus or deficit. The cumulative amount of any gain or loss previously recognised directly in net assets in respect of those controlled entities is treated as if the investment entity had disposed of those controlled entities at the date of change in status.

When the entity elects to measure its investments in associates or joint ventures at fair value, it also accounts for those investments in the same way in its separate financial statements.

Where the entity as controlling entity is required to measure its investment in a controlled entity at fair value, it also accounts for that investment in the same way in its separate financial statements.

Dividends or similar distributions from a controlled entity, a joint venture or an associate are recognised in the separate financial statements of the entity when the entity's right to receive the dividend or similar distribution is established. The dividend or similar distribution is recognised in surplus or deficit unless the entity elects to use the equity method, in which case the dividend or similar distribution is recognised as a reduction from the carrying amount of the investment.

When a controlling entity reorganises the structure of its economic entity by establishing a new entity as its controlling entity in a manner that satisfies the following criteria:

- The new controlling entity obtains control of the original controlling entity either (a) by issuing equity instruments in exchange for existing equity instruments of the original controlling entity or (b) by some other mechanism which results in the new controlling entity having a controlling ownership interest in the original controlling entity;
- The assets and liabilities of the new economic entity and the original economic entity are the same immediately before and after the reorganisation; and
- The owners of the original controlling entity before the reorganisation have the same absolute and relative interests in the net assets of the original economic entity and the new economic entity immediately before and after the reorganisation;

and the new controlling entity accounts for its investment in the original controlling entity at cost in its separate financial statements, the new controlling entity measures cost at the carrying amount of its share of the net asset items shown in the separate financial statements of the original controlling entity at the date of the reorganisation

#### 1.24 Statutory receivables

##### Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions

##### Recognition

Statutory receivables are recognised when the related revenue (exchange or non-exchange revenue) is recognised or when the receivable meets the definition of an asset. The Economic Entity initially measure statutory receivables at their transaction amount

##### Subsequent measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is subsequently changed to reflect any interest or other charges that may have accrued on the receivable, less any impairment losses and amounts derecognised.

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### 1.24 Statutory receivables (continued)

#### Impairment and uncollectibility of statutory receivables

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, statutory receivables, may be impaired.

If there is an indication that a statutory receivable, statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, statutory receivables, is reduced, through the use of an allowance account. The amount of the losses is recognised in Statement of Financial Performance. In estimating the future cash flows, municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk-free rate, any risks specific to the statutory receivable, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows. Any previously recognised impairment loss is adjusted by adjusting the allowance account. The amount of any adjustment is recognised in the Statement of Financial Performance.

#### Derecognition

The Municipality derecognises a statutory receivable when the rights to the cash flows from the receivable are settled, expire or are waived or the Municipality transfers the receivable and substantially all the risks and rewards of ownership of the receivable to another entity

When the Municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of receivable to another entity, the Municipality derecognises the receivable and recognises separately any rights and obligations created or retained in the transfer

### 1.25 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

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#### 1.25 Inventories (continued)

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 2. New standards and interpretations

##### 2.1 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after July 1, 2025 or later periods:

<b>Standard/ Interpretation:</b>	<b>Effective date: Years beginning on or after</b>	<b>Expected impact:</b>
<ul style="list-style-type: none"><li>• iGRAP 22 Foreign Currency Transactions and Advance Consideration</li></ul>	April 1, 2025	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>• GRAP 104 (as revised): Financial Instruments</li></ul>	April 1, 2025	Unlikely there will be a material impact

**Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended June 30, 2025

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**3. Property, plant and equipment**

	2025		2024			
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Machinery & Equipment	8,760,143	(6,206,524)	2,553,619	9,315,720	(6,091,929)	3,223,791
Furniture & Office Equipment	6,474,128	(5,463,343)	1,010,785	6,206,626	(5,718,252)	488,374
Transport Assets	17,185,814	(4,951,627)	12,234,187	9,946,483	(4,712,424)	5,234,059
Computer Equipment	11,907,550	(8,720,446)	3,187,104	11,454,935	(8,400,917)	3,054,018
Infrastructure Assets	36,553,626	(21,743,333)	14,820,293	36,563,625	(21,377,014)	15,186,611
Community Assets	28,559,597	(6,049,110)	22,510,487	28,559,597	(4,946,742)	23,612,855
<b>Total</b>	<b>109,450,358</b>	<b>(53,134,383)</b>	<b>56,316,475</b>	<b>102,046,986</b>	<b>(51,247,278)</b>	<b>50,799,708</b>

**Reconciliation of property, plant and equipment - 2025**

	Opening balance	Additions	Disposals	Additions to Work in Progress	Transfer out of work in Progress	Transfer Work in Progress to cost	Depreciation	Total
Machinery & Equipment	3,223,791	-	(14,996)	-	-	-	(655,176)	2,553,619
Furniture & Office Equipment	488,374	591,987	(806)	-	-	-	(66,768)	1,010,785
Transport Assets	5,234,059	7,205,046	-	-	-	-	(204,918)	12,234,187
Computer Equipment	3,054,018	1,235,146	(46,747)	-	-	-	(1,055,313)	3,187,104
Infrastructure Assets	15,186,611	-	(130)	-	-	-	(366,186)	14,820,293
Community Asset	23,612,855	-	(295)	-	-	-	(1,102,073)	22,510,487
	<b>50,799,708</b>	<b>9,032,179</b>	<b>(62,976)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,452,436)</b>	<b>56,316,475</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended June 30, 2025

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#### 3. Property, plant and equipment (continued)

##### Reconciliation of property, plant and equipment - 2024

	Opening balance	Prior period error	Additions	Disposals	Additions to Work in progress	Transfer out of work in progress	Transfer work in progress to cost	Depreciation and impairment	Total
Machinery & Equipment	2,544,029	(6,627)	1,209,625	-	-	-	-	(523,236)	3,223,791
Furniture & Office Equipment	315,020	35,793	233,859	-	-	-	-	(96,298)	488,374
Transport assets	5,438,612	(640)	-	-	-	-	-	(203,913)	5,234,059
Computer Equipment	3,507,042	19,572	799,381	(4,578)	-	-	-	(1,267,399)	3,054,018
Infrastructure Assets	10,981,072	(676)	3,043,255	-	1,427,707	(7,836,909)	7,836,909	(264,747)	15,186,611
Community Assets	4,476,096	(490,937)	20,000,000	-	-	-	-	(372,304)	23,612,855
	<b>27,261,871</b>	<b>(443,515)</b>	<b>25,286,120</b>	<b>(4,578)</b>	<b>1,427,707</b>	<b>(7,836,909)</b>	<b>7,836,909</b>	<b>(2,727,897)</b>	<b>50,799,708</b>

##### Assets under investigation

Assets with a Net Book Value of R 495 004 could not be physically verified by management as at 30 June 2025 (2024: R759 197.63).

These assets will be investigated by management in the 2025/2026 financial year to confirm their existence

The reason for the inability to verify the assets was due to the following:

- Lack of access to locked offices due to Civic Center building declared unsafe;
- Officials not producing their tools of trade for verification
- Lack of access to Schools;
- IT department not producing asset transfer forms to update correct custodian;
- civil unrest and numerous hijacking attempts

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 3. Property, plant and equipment (continued)

##### Fully depreciated assets

Fully depreciated assets still in use are included in the Machinery & Equipment, Furniture & Office Equipment, Computer Equipment, Infrastructure, Computer Software and Transport Assets balance. The majority are old assets purchased in 2008-2018 for which the useful lives have not been extended and management plans to dispose and replace these assets in the near future.

4 009 assets have been impaired in the prior year and is under investigation for write off. Net book value as a result of the residual value of these assets amounts to 2025: Nil (2024: Nil) . The useful life for the assets was evaluated and no adjustment on the useful life will be made for these assets.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 3. Property, plant and equipment (continued)

##### Reconciliation of Work-in-Progress 2025

	Included within Infrastructure- Water project	Total
Opening balance	4,030,087	4,030,087
Additions/capital expenditure	-	-
	<b>4,030,087</b>	<b>4,030,087</b>

##### Reconciliation of Work-in-Progress 2024

	Infrastructure water project	Infrastructure Sanitation project	Total
Opening balance	2,602,380	7,836,909	10,439,289
Additions/capital expenditure	1,427,707	-	1,427,707
Transferred to completed items	-	(7,836,909)	(7,836,909)
	<b>4,030,087</b>	<b>-</b>	<b>4,030,087</b>

**Dr Kenneth Kaunda District Municipality**

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**3. Property, plant and equipment (continued)**

**Maintenance of property, plant and equipment**

**Maintenance of property, plant and equipment by condition - 2025**

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	935,093	935,093	-	935,093
Other	28,609	28,609	-	28,609
Motor vehicles	1,093,381	1,093,381	-	1,093,381
	<b>2,057,083</b>	<b>2,057,083</b>	<b>-</b>	<b>2,057,083</b>

**Maintenance of property, plant and equipment by condition - 2024**

	Preventative Maintenance		Corrective Maintenance	
	Condition Based	Total	Total	Total
Buildings	256,515	256,515	-	256,515
Other	112,330	112,330	-	112,330
Motor vehicles	716,028	716,028	-	716,028
	<b>1,084,873</b>	<b>1,084,873</b>	<b>-</b>	<b>1,084,873</b>

**Sec 63 MFMA**

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 3. Property, plant and equipment (continued)

##### Work in progress

##### Infrastructure:

The work in progress consists of work already carried out for the water project. To date cost capitalised under WIP are as follows: Capitalised Expenditure 2025: R0 (2024: R1 427 707).

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended June 30, 2025

### Notes to the Annual Financial Statements

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#### 4. Intangible assets

	2025		2024			
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	17,238,934	(8,450,477)	8,788,457	14,920,012	(6,201,265)	8,718,747

#### Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Additions to Work in Progress	Transfer out of Work in Progress	Amortisation	Total
Computer software, other	8,718,747	379,793	-	1,939,130	(8,325,211)	(2,249,213)	8,788,457

#### Reconciliation of intangible assets - 2024

	Opening balance	Prior period error	Additions	Additions to Work in progress	Amortisation	Total
Computer software, other	7,248,691	673,639	150,000	1,460,870	(814,453)	8,718,747

#### Intangible assets in the process of being constructed or developed

The work in progress consists of work already carried out for the Financial System. To date cost capitalised under WIP are as follows: Capitalised expenditure 2025: R0 (2024: R1 460 870.00)

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>5. Payables from exchange transactions</b>		
Trade payables	11,219,689	8,396,134
Other creditors clearing account	-	-
Compensation Commissioner	828,672	23,990
Salary clearing account	(43,910)	3,339
	<b>12,004,451</b>	<b>8,423,463</b>

The ageing of Trade payables is summarised below:

**Trade payables:** relate to Accruals at year ended 30 June 2025

**Compensation Commissioner:** Provision made relating to 2024/25 financial year

**Salary clearing account:** relate to suspense account

**Leave and bonus provision** is reclassified to Employee benefit obligation as per GRAP 25.

DESCRIPTION	0-6 MONTHS	7 TO 12 MONTHS	13 TO 24 MONTHS	OVER 2 YEARS	Total
Trade payables	11,175,779	-	-	-	11,175,779
Compensation commissioner	804,682	-	23,990	-	828,672
	<b>11,980,461</b>	<b>-</b>	<b>23,990</b>	<b>-</b>	<b>12,004,451</b>

### 6. Payables from non-exchange transactions

Other payables from non-exchange transactions					348,023	347,159
	<b>0-6 MONTHS</b>	<b>7 TO 12 MONTHS</b>	<b>13 TO 24 MONTHS</b>	<b>OVER 2 YEARS</b>	<b>Total</b>	
Payables from non exchange	-	-	-	348,023	348,023	

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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### 7. Employee benefit obligation

#### Defined benefit plans

##### Post retirement medical aid liability

The Municipality provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members of the Municipality. According to the rules of the medical aid funds, with which the Municipality is associated, a member (who is on the current conditions of service), on retirement is entitled to remain a continued member of such medical aid fund, in which case the Municipality is liable for a certain portion of the medical aid membership fee. The Municipality operates an unfunded defined benefit plan for these qualifying employees.

The most recent Actuarial valuations of plan assets and the present value of the unfunded undefined benefit obligation were carried out as at 30 June 2025 by Arch Actuarial consulting, a member of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the projected unit credit method. No other post retirement benefits are provided by the Municipality.

The plan is a final salary pension / flat plan or a post employment medical benefit plan

##### Post retirement medical aid plan

The Municipality makes monthly contributions for health care arrangements to the following medical aid schemes

- Bonitas
- Sizwe Hosmed;
- LA Health;
- Key Health
- Samwumed

The current service cost for the year ending 30 June 2025 is estimated at R790 000.00 it is estimated to be R944 000.00 for the ensuing year. The Post Employment Health Care Benefit Plan is a defined benefit plan, of which the members are made up as follows:

#### Eligible Employees

Total number of eligible employees	152	158
Number of in-service members	137	142
Average age	45	44
Average past service	11	11
Average current value of post-employment subsidy p.m.	3,409	3,229
Number of in-service non-members	15	16
Average age	46	47
Average past service	8	8
Average current value of post-employment subsidy p.m.	3,367	3,349
	-	-

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>7. Employee benefit obligation (continued)</b>		
The amounts recognised in the statement of financial position are as follows:		
<b>Carrying value</b>		
Opening balance	(17,791,000)	(15,410,000)
Current service cost	(790,000)	(745,000)
Interest cost	(2,149,000)	(1,960,000)
Expected subsidy (benefit) payments	685,000	-
Actuarial gains/(losses)	(551,000)	324,000
	<b>(20,596,000)</b>	<b>(17,791,000)</b>
Non-current liabilities	(19,844,000)	(17,106,000)
Current liabilities	(21,037,152)	(18,979,938)
	<b>(40,881,152)</b>	<b>(36,085,938)</b>

This is an estimate of subsidies (benefit) paid in respect of continuation members based on the data at the previous valuation date. If the actual amount of subsidies paid is used instead of this estimate, then the Actuarial loss/(Gain) must change to exactly offset the impact, such that the closing Accrued Liability remains unchanged, for example if the actual amount of subsidies paid is R100 000.00 less than the estimate, then the Actuarial Loss/(Gain) would have to reduce by R100 000.00 to leave the closing Accrued Liability as is.

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

## Notes to the Annual Financial Statements

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### 7. Employee benefit obligation (continued)

#### Key assumptions used

Assumptions used at the reporting date:

Discount rates used	11.30 %	12.31 %
CPI inflation rate	5.30 %	7.78 %
Medical aid contribution inflation rate	7.10 %	5.46 %
Net discount rate (medical aid contributions)	3.90 %	6.28 %
Maximum subsidy inflation rate	4.70 %	4.20 %
Net discount rate (maximum subsidy)	6.30 %	6.50 %

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 7. Employee benefit obligation (continued)

The following tests of reasonability were performed on the data received (where applicable)

Eligible employees and continuation members were checked for completeness of date of birth, gender, income where necessary, and medical aid scheme, option and dependants. Employees' dates of employment were also checked

In addition, the following data checks were performed for both employees and continuation members, where applicable:

The effect of the major categories of plan assets is as follow:

- dates are valid;
- ages within reasonable ranges;
- periods of employment within reasonable ranges, and consistent with dates of birth; and
- incomes within reasonable ranges

The following statistics were calculated for both employees and continuation members, where applicable, and were checked for reasonability:

Salaries - Changes in an index or other variable specified in the formal or constructive terms of a plan as the basis for future

benefit increases:

- average age;
- average number of dependants;
- average period of employment; and
- average subsidy per month.

Where information was not clear or not provided, the valuation was conducted on the premise that the information provided was correct or appropriate assumptions were made.

It is difficult to predict future investment returns and inflation rates. The relationship between them is more stable and therefore easier to predict. GRAP 25 requires that financial assumptions be based on market expectations at this Valuation for the period over which the defined benefit obligation (DBO) is to be settled.

#### Discount Rate

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post-employment DBO. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve

Consequently, a discount rate of 11.3% per annum has been used. The corresponding Index-linked yield at this term is 5.3%. These rates do not reflect any adjustment for taxation. These rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 28 June 2025.

These yields were obtained by calculating the duration of the DBO and then taking the fixed-interest and index-linked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the DBO).

## Dr Kenneth Kaunda District Municipality

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#### 7. Employee benefit obligation (continued)

##### Medical aid contribution Inflation rate

This assumption is required to reflect estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs (for example, due to technological advances or changes in utilisation patterns). Any assumption regarding future medical scheme contribution increases is therefore subjective.

Medical aid contribution inflation rate of 7.1% has been assumed. This is 1.8% in excess of expected CPI inflation over the expected term of the DBO, namely 5.3% per annum. A larger differential would be unsustainable, eventually forcing members to less expensive options. This implies a net discount rate of 3.9% which derives from  $((1+11.3\%)/(1+7.1\%))-1$

The CPI inflation assumption of 5.3% was obtained from the differential between market yields on index-linked bonds consistent with the estimated term of the DBO (5.2%) and those of fixed interest bonds (11.3%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). The next contribution increase was assumed to occur with effect from 1 January 2026.

##### Maximum Subsidy Inflation Rate

This assumption is required to reflect estimated future changes in the maximum amount to which subsidies are limited. This maximum amount is set at R 5,791.15 per family per month for the year ending 30 June 2026. The annual increases to this maximum amount are periodically specified by the local government bargaining council.

Recent past annual increases balanced with sustainability needs of employees have resulted in this assumption being set at 75% of salary inflation. The future salary inflation assumption of 6.3% per annum, was set to be 1.00% above expected CPI inflation. Thus a maximum subsidy inflation assumption of 4.7% per annum was used. The next increase to the maximum subsidy was assumed to occur with effect from 1 July 2026.

##### Reconciliation of Employee benefit obligation

Post employment medical aid subsidy liability	20,596,000	17,791,000
Leave Accrual	17,437,280	15,560,020
13th Cheque Accrual	2,847,872	2,734,918
	<b>40,881,152</b>	<b>36,085,938</b>

##### Accrual for 13th cheque and leave pay

Accruals for 13th cheque amounts to one month's basic salary payable once in the financial year. The 13th cheque will be pro-rated for employees commencing employment during the year and have not completed a full year of service.

Accrual for leave pay relates to employees' entitlement to annual leave that is due as a result of services rendered by employees up to reporting date. The accrual has been calculated based on salary rates effective on the reporting date.

#### 8. Receivables from exchange transactions

Prepaid expenses	1,400,152	1,400,152
Salaries and bank clearing account	747,540	769,037
Accrual- Interest on call deposit	530,507	218,630
Other debtors	394,532	394,297
Less: Allowance for doubtful debt	-	235
	<b>3,072,731</b>	<b>2,782,351</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 8. Receivables from exchange transactions (continued)

Prepaid Expenses- Payment made relates to procurement of Municipal Offices at Ventersdorp which were procured through attorney Toka Machabaphala

Salaries and bank clearing account- Relates to Staff debtors (Overpayments made)

Accrual-Interest on call deposit- Accrued interest earned on fixed deposit investment with Absa bank

Other debtors- Payments made erroneously to suppliers

Receivables from exchange transactions	0-6 MONTHS	7 TO 12 MONTHS	13 TO 24 MONTHS	OVER 2 YEARS	Total
Prepaid expenses	-	-	1,400,152	-	- 1,400,152
Salaries and bank clearing account	-	-	747,540	-	- 747,540
Accrual- Interest on call deposit	530,507	-	-	-	- 530,507
Other debtors	-	-	174,428	219,869	- 394,297
Less: Allowance for doubtful debt	-	-	-	235	- 235
Subtotal	530,507	-	2,322,120	220,104	- 3,072,731
	530,507	-	2,322,120	220,104	- 3,072,731

#### 9. Receivables from non-exchange transactions

Receivables from non-exchange revenue-Equitable share

166,000

-

Receivables from non-exchange transaction result from shortfall amounting to R166 thousand on transfer of third trench Equitable share (which was scheduled to be received on the 12 March 2025 as per the NT Payment schedule). Management wrote to National treasury alerting them of the shortfall and in response the National treasury admitted and committed to transfer the shortfall amounting to R166 thousand during the 2025/2026 Financial year..

Heading	0-6 MONTHS	7 TO 12 MONTHS	13 TO 24 MONTHS	OVER 2 YEARS	Total
Receivables from non exchange	166,000	-	-	-	166,000

#### 10. VAT receivable

VAT Control

557,299

1,005,408

VAT Input Accrual

1,237,986

-

1,795,285

1,005,408

VAT 201 returns are submitted monthly on a payment basis

#### 11. Cash and cash equivalents

Cash and cash equivalents consist of:

## Dr Kenneth Kaunda District Municipality

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#### 11. Cash and cash equivalents (continued)

Cash on hand		6,600	6,600
Bank balances		13,420,488	15,068,507
Short-term deposits		30,000,000	30,000,000
Not reconciled items/Payments not cashed at 30 June		-	6,600
Take on		-	2,382
		<b>43,427,088</b>	<b>45,084,089</b>

#### The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2025	June 30, 2024	June 30, 2023
Current account (Primary bank account ABSA Klerksdorp account no:950000627)	12,295,811	13,978,821	58,820,905	12,295,811	13,985,421	55,737,506
Current Account Local Government support Grant Absa Account no:4056438304	1,131,277	1,096,286	1,044,868	1,131,277	1,096,286	1,044,868
Absa-Investment Fixed deposit 20-8162-8405	-	30,000,000	-	-	30,000,000	-
Fixed deposit Investments-Standard bank-038659190-313	30,000,000	-	-	30,000,000	-	-
Agency Take on	-	2,382	-	-	2,382	-
<b>Total</b>	<b>43,427,088</b>	<b>45,077,489</b>	<b>59,865,773</b>	<b>43,427,088</b>	<b>45,084,089</b>	<b>56,782,374</b>

## Dr Kenneth Kaunda District Municipality

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#### 12. Accumulated surplus

##### Ring-fenced internal funds and reserves within accumulated surplus - 2025

	Capital replacement reserve	Total
Opening balance	1,588,167	1,588,167

##### Ring-fenced internal funds and reserves within accumulated surplus - 2024

	Capital replacement reserve	Total
Opening balance	1,588,167	1,588,167

#### 13. Unspent conditional grants and receipts

##### Unspent conditional grants and receipts comprises of:

##### Unspent conditional grants and receipts

Energy & demand side mng grant	103	-
Fire support grant	3,000	2,835
Rural Roads Asset Management Grant	1	165
	<b>3,104</b>	<b>3,000</b>

#### 14. Long service award liability

At the previous valuation, it was understood that there is no award upon reaching 5 years of service. At this valuation, it was established that there is a 5-year award of 5 leave days.

The Municipality offers employees LSA for every five years of service completed, from five years of service to 45 years of service, inclusive.

The Municipality indicates that employees' costs to council, referred to as "earnings" in the Actuarial valuation of the net defined liability report, are used to determine the Rand value of LSA.

In the month that each "Completed Service" milestone is reached, the employee is granted an LSA. Working days awarded are valued at 1/250th of annual earnings per day.

In estimating the LSA net defined benefit of the Municipality a number of actuarial assumptions are required. The GRAP

25 Statement places the responsibility on management to set these assumptions, as guided by the principles set out in the Statement and in discussion with the actuary.

## Dr Kenneth Kaunda District Municipality

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#### 14. Long service award liability (continued)

It should be noted that the valuation method and assumptions do not affect the ultimate cost of the LSA arrangement – this is determined by actual experience and by the benefits provided. The method and assumptions influence how the DBO and Current-Service costs are recognised over time

Eligible employees were checked for completeness of date of birth, date of employment, gender, personnel sub-area and earnings. Enquiries were made regarding any gaps in the data that were found

In addition, the following data checks were performed:

- dates are valid;
- ages within reasonable ranges;
- periods of employment within reasonable ranges, and consistent with dates of birth;
- genders, dates of birth and employment are consistent with any available prior year's data;
- genders and dates of birth are consistent with any ID numbers provided;
- ages at the time of employment are reasonable;
- earnings within reasonable ranges;
- changes in earnings are reasonable when compared to any available prior year data.

The following statistics were calculated and compared for reasonability with the corresponding statistics as at the previous valuation:

- average age and earnings-weighted average age;
- average past service and earnings-weighted average past service; and
- average monthly earnings.

Where information was not clear or not provided, the valuation was conducted on the premise that the information provided was correct or appropriate assumptions were made

#### Discount Rate

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the DBO. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve

Consequently, a discount rate of 10% per annum has been used. The corresponding liability-weighted index-linked yield is 5.3%. These rates do not reflect any adjustment for taxation, and were deduced from the interest rate data obtained from the JSE after the market close on 28 June 2025.

These yields were obtained by calculating the duration of the DBO and then taking the fixed-interest and index-linked yields from the respective yield curves at that duration using an iterative process (because the yields depend on the duration, which in turn depends on the DBO). The duration of the DBO was estimated to be 8.75 years.

#### Earnings Inflation Rate

This assumption is required to reflect the estimated growth in earnings of the eligible employees until retirement. It is important in that the LSA are based on an employee's earnings at the date of the award.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 14. Long service award liability (continued)

The assumption is traditionally split into two components, namely general earnings inflation and promotional earnings escalation. The latter is considered under demographic assumptions.

##### General Earnings Inflation Rate

This assumption is more stable relative to the growth in Consumer Price Index (CPI) than in absolute terms. In most industries, experience has shown, that over the long-term, earnings inflation is between 1.0% and 1.5% above CPI inflation. The CPI inflation assumption of 4% per annum was obtained from the differential between market yields on index-linked bonds (5.3%) consistent with the estimated terms of the DBO and those of nominal bonds (10%) with a risk premium adjustment for the uncertainty implicit in guaranteeing real increases (0.50%). Thus, a general earnings inflation rate of 5% per annum over the expected term of the DBO has been assumed, which is 1.00% higher than the estimate of CPI inflation over the same term. This assumption reflects a net discount rate of 4.8%. It was assumed that the next general earnings increase will take place on 1 July 2026.

The Municipality does not pay any pro-rata LSA.

##### Reconciliation of Long Service Award

Defined benefit Obligation	(5,602,000)	(4,796,000)
Current service cost	(564,000)	(468,000)
Interest cost	(554,000)	620,000
Expected benefits vesting	1,291,000	(509,000)
Actuarial Gain	135,000	(449,000)
	<b>(5,294,000)</b>	<b>(5,602,000)</b>

##### Long Service Award

Current portion	(212,000)	(1,291,000)
Non-current portion	(5,082,000)	(4,311,000)
	<b>(5,294,000)</b>	<b>(5,602,000)</b>

#### 15. Revenue

Sale of tender documents	3,478	20,957
Fees earned	-	103,810
Commissions received	17,133	135,744
Licensing and permits	1,374,873	659,960
Interest received - investment	5,723,356	9,178,792
Government grants & subsidies	228,286,446	222,258,561
	<b>235,405,286</b>	<b>232,357,824</b>

##### The amount included in revenue arising from exchanges of goods or services are as follows:

Sale of tender documents	3,478	20,957
Fees earned	-	103,810
Commissions received	17,133	135,744
Licensing and permits	1,374,873	659,960
Interest received - investment	5,723,356	9,178,792
	<b>7,118,840</b>	<b>10,099,263</b>

## Dr Kenneth Kaunda District Municipality

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### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>15. Revenue (continued)</b>		
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
<b>Taxation revenue</b>		
<b>Transfer revenue</b>		
Government grants & subsidies	228,286,446	222,258,561
<b>16. Investment revenue</b>		
<b>Interest revenue</b>		
Interest revenue	2,951,348	2,363,082
Investment and call deposit	2,772,008	6,815,710
	<b>5,723,356</b>	<b>9,178,792</b>
<b>17. Transfer and subsidies</b>		
<b>Other subsidies</b>		
Busarries Non Employees	181,552	61,759
Dr Kenneth Kaunda Economic Development Agency	-	3,508,563
SMME Sport support (N12 Marathon)	329,000	-
Merit Bursaries Community & SMME support Arts and Culture	890,662	621,288
	<b>1,401,214</b>	<b>4,191,610</b>
<b>18. Government grants &amp; subsidies</b>		
<b>Operating grants</b>		
Equitable share	33,503,000	32,150,000
Disaster Capacity Grant-(NW COOP & TRAD AFFAIRS)	-	300,000
LG Seta Mandatory grant	1,094,549	2,592,561
Expanded Public Works Program	1,122,000	2,177,000
Finance Management Grant	1,000,000	1,000,000
RSC Replacement Grant	184,806,000	181,398,000
Rural Road Assets Management System Grant	2,761,000	2,641,000
Energy and efficiency demang side management grant	3,999,897	-
	<b>228,286,446</b>	<b>222,258,561</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>18. Government grants &amp; subsidies (continued)</b>		
<b>Conditional and Unconditional</b>		
Included in above are the following grants and subsidies received:		
Conditional grants received	9,977,446	8,710,561
Unconditional grants received	218,309,000	213,548,000
	<b>228,286,446</b>	<b>222,258,561</b>
<b>Equitable share</b>		
Current-year receipts	33,477,525	32,150,000
Transferred to revenue	(33,503,000)	(32,150,000)
	<b>(25,475)</b>	<b>-</b>
<p>The balance result from shortfall amounting to R166 thousand on transfer of Second trench Equitable share (which was scheduled to be received on the 04 December 2024 as per the NT Payment schedule). Management wrote to National treasury alerting them of the shortfall and in response the National treasury admitted and committed to transfer the shortfall amounting to R166 thousand during the 2025/2026 Financial year.</p>		
<b>Fire Support Grant</b>		
Fire support grant	2,835	2,835
<b>LG Seta Mandatory Grant</b>		
Current-year receipts	1,094,549	2,592,561
Conditions met - transferred to revenue	(1,094,549)	(2,592,561)
	<b>-</b>	<b>-</b>
<b>Expanded Public Works Program</b>		
Current-year receipts	1,122,000	2,177,000
Conditions met - transferred to revenue	(1,122,000)	(2,177,000)
	<b>-</b>	<b>-</b>
<b>Finance Management Grant</b>		
Current-year receipts	1,000,000	1,000,000
Conditions met - transferred to revenue	(1,000,000)	(1,000,000)
	<b>-</b>	<b>-</b>
<b>RSC Replacement Grant</b>		
Current-year receipts	184,665,475	181,398,000
Transferred to revenue	(184,806,000)	(181,398,000)
	<b>(140,525)</b>	<b>-</b>

## Dr Kenneth Kaunda District Municipality

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### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>18. Government grants &amp; subsidies (continued)</b>		
<b>Rural Road Asset Management Grant</b>		
Balance unspent at beginning of year	166	166
Current-year receipts	2,761,000	2,641,000
Conditions met - transferred to revenue	(2,761,000)	(2,641,000)
	<b>166</b>	<b>166</b>
<b>Disaster Capacity Grant- (NW COOP GOV &amp; TRAD AFFAIRS)</b>		
Current-year receipts	-	300,000
Conditions met - transferred to revenue	-	(300,000)
	-	-
<b>Energy and efficiency demand side grant</b>		
Current-year receipts	4,000,000	-
Conditions met - transferred to revenue	(3,999,897)	-
	<b>103</b>	-

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>19. Employee related costs</b>		
Basic	88,991,244	80,276,679
Medical aid - company contributions	7,360,040	6,197,110
UIF	410,807	340,438
Bargaining Council	25,344	21,372
Leave pay provision charge	3,896,705	3,474,432
Cell phone allowance	1,506,542	1,367,622
Defined contribution plans	2,081,000	3,064,964
Overtime payments	224,952	319,612
Long-service awards	1,915,140	892,235
13th Cheques	7,007,721	5,735,295
Acting allowances	1,915,899	1,611,504
Car allowance	11,114,655	10,625,845
Housing benefits and allowances	615,381	599,464
Cash Gratuity allowance	54,240	106,477
Standby Allowance	983,017	1,523,599
Group life Insurance- Council contribution	971,502	814,367
Pension fund- Council contribution	14,553,552	12,874,534
Danger allowance	517,297	465,000
	<b>144,145,038</b>	<b>130,310,549</b>

#### Remuneration of municipal manager- MJ Ratlhogo

Annual Remuneration	1,130,697	1,065,516
Car Allowance	180,000	180,000
Other allowances-cellphone	30,000	30,000
Ad-hoc subsistence and travel	1,107	-
Cash gratuity allowances	20,340	20,340
Bonus	88,094	88,793
Leave sold	44,315	43,033
	<b>1,494,553</b>	<b>1,427,682</b>

#### Remuneration of chief finance officer-L Steenkamp

Annual Remuneration	288,918	799,296
Car Allowance	45,387	171,600
Bonus	17,930	66,608
Other allowances-cellphone	6,348	24,000
Ad-hoc subsistence and travel	-	2,918
Leave sold	203,127	33,202
Cash gratuity allowances	5,380	20,340
	<b>567,090</b>	<b>1,117,964</b>

CFO Extended Contract ended 4 October 2024

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 19. Employee related costs (continued)

##### Remuneration of Senior manager Corporate services-SC Abrams

Annual Remuneration	19,500	201,486
Car Allowance	-	7,636
Cash gratuity allowances	-	6,472
Leave sold	-	108,740
Car allowance/Travelling allowance	-	113,839
Bonus	-	30,503
	<b>19,500</b>	<b>468,676</b>

Senior Manager Corporate services resigned on the 26 October 2023.

##### Remuneration of Chief Audit Executive-SG Mtemekwana

Annual Remuneration	1,335,447	594,804
Cell phone Allowance	24,000	24,000
Ad-hoc subsistence and travel car allowance/Travelling allowance	2,314	-
Leave sold	313,056	313,056
Cash gratuity allowances	19,319	29,052
	20,340	20,340
	<b>1,714,476</b>	<b>981,252</b>

##### Remuneration of Director District Economic Development-RM Rampedi

Annual Remuneration	1,458,970	756,300
Cell phone Allowance	24,000	24,000
Car allowance/Travelling allowance	120,000	120,000
Bonus	65,074	60,604
Leave sold	19,319	29,052
Cash gratuity allowances	20,340	20,340
	<b>1,707,703</b>	<b>1,010,296</b>

##### Remuneration of Director Community Services-MA Metswamere

Annual Remuneration	852,876	791,592
Car Allowance	180,000	180,000
Leave sold	10,446	55,189
Cell phone allowance	24,000	24,000
Bonus	71,073	65,966
Cash gratuity allowances	20,340	18,645
	<b>1,158,735</b>	<b>1,135,392</b>

Precautionary suspension since 10 May 2023.

**Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended 30 June 2025

**Notes to the Annual Financial Statements**

Figures in Rand	2025	2024
<b>19. Employee related costs (continued)</b>		
<b>Acting CFO- JM Brown (5 October 2024-30 June 2025)</b>		
Acting allowance	64,914	-
Cell phone Allowance	4,938	-
	<b>69,852</b>	<b>-</b>

Mrs J Brown was appointed as CFO and resumed duties on 1 July 2025

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>19. Employee related costs (continued)</b>		
<b>Acting Director Corporate services-MB Molefe</b>		
Annual Remuneration	-	24,864
Cell phone Allowance	-	2,752
	-	<b>27,616</b>
<b>Acting Director Community services CP Mofokeng</b>		
Annual Remuneration	-	8,052
Cell phone Allowance	-	850
	-	<b>8,902</b>
<b>Acting Director Corporate Services-LM Ramorola (1-31August 2024 and 1-31 October 2024)</b>		
Annual Remuneration	30,486	55,032
Cell phone Allowance	3,400	6,064
	<b>33,886</b>	<b>61,096</b>
<b>Acting Director Community Services- KA Sothoane (1 July 2024- 31 October 2024) &amp; (1 May 2025 to date)</b>		
Annual Remuneration	44,974	54,874
Cell phone Allowance	5,100	7,595
	<b>50,074</b>	<b>62,469</b>
<b>Acting Director Corporate services-Octavius Baloyi (1 November 2024- to date)</b>		
Acting Allowance	67,823	-
Cell phone Allowance	4,950	-
	<b>72,773</b>	-
<b>Acting Director Community Services-Tumelo Mosebi (1 November 2024- 30 April 2025)</b>		
Acting Allowance	53,580	-
Cell phone Allowance	4,250	-
	<b>57,830</b>	-
<b>20. Remuneration of councillors</b>		
Executive Major	1,084,591	1,043,854
Mayoral Committee Members	3,555,626	4,131,215
Speaker	877,080	845,714
Councillors	5,325,348	5,335,460
Single Whip	825,872	802,937
	<b>11,668,517</b>	<b>12,159,180</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>20. Remuneration of councillors (continued)</b>		
<b>Additional information</b>		
The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.		
<b>21. Depreciation and amortisation</b>		
Property, plant and equipment	3,452,436	2,727,888
Intangible assets	2,249,213	814,453
	<b>5,701,649</b>	<b>3,542,341</b>
<b>22. Auditors' remuneration</b>		
Fees	5,866,294	5,033,353
<b>23. General expenses</b>		
Assessment rates & municipal charges	1,738,348	1,496,255
Auditors remuneration	5,866,294	5,033,353
Bank charges	260,242	222,885
Fines and penalties	-	3,979
Hire Charges	1,116,947	16,045,244
Insurance	891,318	1,817,828
Conferences and seminars	393,592	822,113
Skills development levy	1,446,223	955,588
IT expenses	2,386,838	3,831,240
Compensation commissioner	1,498,935	746,521
Motor vehicle expenses	183,814	186,362
Printing and stationery	74,470	53,786
Protective clothing	402,792	467,504
License fees/communications	191,188	370,391
Subscriptions and membership fees	1,532,003	1,518,581
Telephone and fax	780,825	1,062,250
Travel and subsistence	1,454,855	1,655,142
Training	1,488,041	2,947,556
Toll gate fees	2,128	2,106
Office rental	4,939,730	4,458,605
Business expenses councillors and directors	119,804	106,165
Events and campaigns	2,397,169	5,592,309
Consumables	2,950,041	6,503,220
	<b>32,115,597</b>	<b>55,898,983</b>
<b>24. Contracted services</b>		
<b>Presented previously</b>		
Outsourced Services	15,652,862	20,199,923
Repairs and maintenance/Maintenance of equipment	2,057,082	1,084,873
Consultants and Professional Services	15,402,755	13,588,947
Contractors	7,693,228	8,613,289
	<b>40,805,927</b>	<b>43,487,032</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 24. Contracted services (continued)

The expenses for repairs and maintenance (maintenance of assets and equipment) for the current year as at 30 June 2025 amounts to R2 057 082.00 and R1 084 873.00 for the prior year

#### 25. Cash generated from (used in) operations

Deficit	(2,893,441)	(20,565,723)
<b>Adjustments for:</b>		
Depreciation and amortisation	5,701,649	3,542,341
Gain (loss) on discontinued operations	54,541	(30,361)
Movements in retirement benefit assets and liabilities	4,487,213	21,060,938
<b>Changes in working capital:</b>		
Receivables from exchange transactions	(290,380)	1,429,956
Vat receivables	(30,186,106)	819,437
Other receivables from non-exchange transactions	(166,000)	-
Payables from exchange transactions	3,580,993	(29,421,257)
VAT	29,396,229	-
Payables from non-exchange	864	(13,742)
Unspent conditional grants and receipts	104	-
	<b>9,685,666</b>	<b>(23,178,411)</b>

#### 26. Operating deficit

Operating deficit for the year is stated after accounting for the following:

Loss on sale of property, plant and equipment	(1,990,244)	(3,239,213)
Gain (loss) on sale of non-current assets held for sale and net assets of disposal groups	54,541	(30,361)
Amortisation on intangible assets	2,249,213	814,453
Depreciation on property, plant and equipment	3,452,436	2,727,888
Employee costs	155,813,555	142,469,729

#### 27. Financial instruments disclosure

##### Categories of financial instruments

2025

##### Financial assets

	At amortised cost	Total
Receivables from exchange transactions	1,672,579	1,672,579
Cash and cash equivalents	43,427,088	43,427,088
	<b>45,099,667</b>	<b>45,099,667</b>

##### Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	12,004,451	12,004,451

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand 2025      2024

#### 27. Financial instruments disclosure (continued)

2024

##### Financial assets

	At amortised cost	Total
Receivables from exchange transactions	1,382,199	1,382,199
Cash and cash equivalents	45,084,089	45,084,089
	<b>46,466,288</b>	<b>46,466,288</b>

##### Financial liabilities

	At amortised cost	Total
Payables from exchange transactions	8,423,459	8,423,459

##### Financial assets past due but not impaired-2025

	0-6 Months	7-12 Months	13-24 Months	Over 2 Years	Total
Salary and Bank Clearing Account	-	120,925	133,212	493,403	747,540
Accrual - Interest on call deposit	530,507	-	-	-	530,507
Other Debtors	-	-	174,428	220,104	394,532
	<b>530,507</b>	<b>120,925</b>	<b>307,640</b>	<b>713,507</b>	<b>1,672,579</b>

Non-Exchange Transactions	166,000	-	-	-	166,000
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##### Financial assets past due but not impaired-2024

	0-6 Months	7-12 Months	13-24 Months	Over 2 Years	Total
Salary and Bank Clearing Account	103,810	-	135,295	394,636	633,741
Accrual - Interest on call deposit	218,630	-	-	-	218,630
Other Debtors	174,428	-	355,164	235	529,827
	<b>496,868</b>	<b>-</b>	<b>490,459</b>	<b>394,871</b>	<b>1,382,198</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 28. Operating Leases

##### Operating leases - as lessee (expense)

##### Minimum lease payments due

- within one year	-	1,136,850
- in second to fifth year inclusive	1,136,850	1,800,013
- later than five years	-	-
	<b>1,136,850</b>	<b>2,936,863</b>

##### Hestifusion (Pty) LTD T/A Nashua North West:

Nature of the lease:

The lease agreement is between Hestifusion( PTY) LTD and Dr Kenneth Kaunda District Municipality to lease printers.

Terms of the lease

The lease agreement shall be for a period of 36 months commencing from 1 February 2023

Amount of the lease

The lease rental amount is R94 737.51 vat exclusive with an annual increase of 0.0%

##### Matlosana City Council:

Nature of the lease

The lease agreement is between City of Matlosana Local Municipality and Dr Kenneth Kaunda District Municipality to lease property situated in Orkney, Civic center, Patmore Road to Occupy as Municipal offices.

Term of lease

The Municipality will occupy the property in terms of the lease agreement as from 1 February 2002 for an indefinite period. Either party may cancel this lease agreement on 3 (three) months written notice

Amount of the lease:

The lease amount for the current financial year is R67 413.88 vat exclusive (No liability calculated as lease can be cancelled within three months)

##### Colombia Falls properties 80 (PTY) LTD:

Nature of the lease:

The lease agreement is between Colombia Falls Properties 80 (PTY) LTD and Dr Kenneth Kaunda District Municipality to lease municipal offices at Orkney, Civic center ,Patmore road (opposite City of matlosana Building)

Amount of the lease

The lease amount for the current financial year is R233 846.05 vat exclusive

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

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#### 29. Contingencies

The municipality is currently engaged in litigation which could result in damages / costs being awarded against Council if claimants are successful in their actions. The following are the estimates

##### Contingent liabilities.

Dr KKDM 56868/2012	-	-
The procurement process followed for photocopy machines was flawed and the contract was deemed to be null and void. The agreement was terminated and the rights of the Master Rental Agreement were then ceded by Toshiba to Merchant West Asset Rentals (MW Rentals). The litigation matter is still ongoing. The potential cost to DR KK amounts to R1 518 461.	1,518,461	1,518,461
Dr KKDM JR 2114/ 18	-	-
The applicant brought forward an unfair dismissal dispute following the termination of his fixed term employment contract in 2017. The litigation matter is still ongoing. The potential cost to DR KK amounts to R950 000..	950,000	950,000
Dr KKDM 172 / 2019	-	-
A disciplinary hearing arose as a result of the manger for legal services not being compensated for services rendered. The matter is still ongoing. The potential cost to DR KK amounts to R292 340..	292,340	292,340
Dr KKDM JS366/21 & JS532/21	-	-
JS366/21 - Applicant referred a dispute to the Labour Court averring that he has been victimized by the Respondent by making working conditions unbearable following his suspension in April 2021.	-	270,000
JS 532/21 - Applicant alleged that the Respondent appointed Manager Administration and Records Management without proper qualifications. He claimed compensation for the humiliation caused by the appointment of the said employee.		
The manager has subsequently went on retirement in the 2024/2025 Financial Year and has agreed to withdraw the matter and serve a notice of withdrawal.		
Dr KKDM NW/KLD/RC-63/21	-	-
The applicant alleges that the Municipality is indebted to them after services were rendered to install braai stands in parks around the district. The Municipality denies the claim as there was no formal procurement process followed and an agreement was established that the applicant was donating the braai stands. The matter is still ongoing. The potential cost to DR KK amounts to R241 000.	241,000	241,000
Disciplinary Hearing: Manager Legal Services	-	-
The disciplinary hearing of Manager Legal Services stems from his precautionary suspension on 8th April 2021.The matter has subsequently been closed as the employee has gone on retirement..	-	300,000
Disciplinary Hearing: Manager Legal Services	-	-
The disciplinary hearing of Manager Legal Services stems from his precautionary suspension on 8th April 2021.	-	200,000
The matter has subsequently been closed as the employee has gone on retirement.		

## Dr Kenneth Kaunda District Municipality

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### Notes to the Annual Financial Statements

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<b>29. Contingencies (continued)</b>		
Disciplinary Hearing: Senior Manager LED & Planning	-	-
During a disciplinary hearing held, the senior manager raised points that allegations of financial misconduct must be referred to the appropriate committee. The points that were provisionally upheld by the chairperson pending the Municipality referring the charges to the Financial Misconduct Board. The matter is still ongoing. The potential cost to DRK KK amounts to R700 000.	700,000	700,000
Dr KKDM JS 224/23	-	-
The applicant brought an application against the Municipality and the Executive Mayor for unfair discrimination in the Labour Court. The matter is still ongoing. The potential cost to DR KK amounts to R200 000.	200,000	200,000
Dr KKDM M423 / 2023	-	-
Our attorneys issued an application to compel Spar to comply with the By-Law in relation to the transgression of the Noise Control By-laws . Costs reserved to be argued and therefore the matter is still ongoing. The potential cost to DR KK amounts to R200 000.	200,000	200,000
Dr KKDM M631 / 22	-	-
The Municipality was served Notice of Motion filed by applicants seeking a court order directing the Municipality to furnish them with the SLA within 15 days of the order being granted, further directing the Municipality to pay the costs of the application on attorney and client scale as well as provide alternative relief. The matter has subsequently been finalised.	-	300,000
Dr KKDM NWKD 2498/23	-	-
Both senior managers brought an unfair labour practice grievance in relation to unfair suspension. The arbitration was heard and commissioner handed down the arbitration award. The matter was subsequently finalised.	-	400,000
Review Application DrKKDM//Senior Manager Community Services	-	-
The Municipality instituted a review application against the arbitration award issued against the Municipality. The matter is still ongoing. The potential cost to DR KK amounts to R400 000.	400,000	400,000
	<b>4,501,801</b>	<b>5,971,801</b>
<b>Contingent assets</b>		
Summons - Recovery Dr KKDM // Former Manager Administration and Records Management & Accountant Expenditure Case no:4342/25	-	-
A summons was issued to individuals who are alleged to have committed theft and money laundering against the Municipality. The Defendants made an offer to pay the amount the Municipality is claiming on the Summons.	1,123,978	-
	<b>1,123,978</b>	<b>-</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand 2025      2024

#### 30. Related parties

<p>Relationships Controlled entities</p> <p>Members of Council</p> <p>Members of key management</p>	<p>Dr Kenneth Kaunda District Municipality Economic Agency (Liquidated) Refer to General information page 1 &amp; 2 for Councillors' names and relations</p> <p>MJ Rathogo-Municipal Manager</p> <p>L Steenkamp- CFO (Extended Contract ended 4 October 2024)</p> <p>SG Mtemekwana- Chief Audit Executive</p> <p>RM Rampedi-Director LED and Planning</p> <p>MA Metswamere- Director Community services (On suspension)</p> <p>J Brown-Acting CFO</p> <p>Lerato Ramorola-Acting Director Corporate Services</p> <p>Sothaone KA-Acting Director Community services</p> <p>O Baloyi- Acting Director Corporate services</p> <p>T Mosebi- Acting Director Community services</p>
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#### Related party balances/ transactions

<b>Transfer payments grants</b>		
DR Kenneth Kaunda District Municipality economic agency	-	3,508,563
	-	-
	-	-

<b>Remuneration of municipal manager- MJ Rathogo</b>		
Annual Remuneration	1,130,697	1,065,516
Car Allowance	180,000	180,000
Other allowances-cellphone	30,000	30,000
Ad-hoc subsistence and travel	1,107	-
Cash gratuity allowances	20,340	20,340
Bonus	88,094	88,793
Leave sold	44,315	43,033
	<b>1,494,553</b>	<b>1,427,682</b>

<b>Remuneration of chief finance officer-L Steenkamp</b>		
Annual Remuneration	288,918	799,296
Car allowance	45,387	171,600
Bonus	17,930	66,608
Other allowances-cellphone	6,348	24,000
Ad-hoc subsistence and travel	-	2,918
Leave sold	203,127	33,202
Cash gratuity allowances	5,380	20,340
	<b>567,090</b>	<b>1,117,964</b>

Extended Contract ended 4 October 2024

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand

2025 2024

#### 30. Related parties (continued)

##### Remuneration of Senior manager Corporate services-SC Abrams

Annual Remuneration	19,500	201,486
Car allowance	-	7,636
Cash gratuity allowances	-	6,472
Leave sold	-	108,740
Bonus	-	30,503
Car Allowance	-	113,839
	<b>19,500</b>	<b>468,676</b>

Senior Manager Corporate services resigned on the 26 October 2023.

##### Remuneration of Chief Audit Executive-SG Mtemekwana

Annual Remuneration	1,335,447	594,804
Cell phone Allowance	24,000	24,000
car allowance/Travell allowance	313,056	313,056
Leave sold	19,319	29,052
Cash gratuity allowances	20,340	20,340
Ad-hoc subsistance and travel	2,314	-
	<b>1,714,476</b>	<b>981,252</b>

##### Remuneration of Director District Economic Development-RM Rampedi

Annual Remuneration	1,458,970	756,300
Cell phone Allowance	24,000	24,000
Car allowance/Travelling allowance	120,000	120,000
Bonus	65,074	60,604
Leave sold	19,319	29,052
Cash gratuity allowances	20,340	20,340
	<b>1,707,703</b>	<b>1,010,296</b>

##### Remuneration of Director Community Services-MA Metswamere

Annual Remuneration	852,876	791,592
Car allowance	180,000	180,000
Leave sold	10,446	55,189
Cell phone allowance	24,000	24,000
Bonus	71,073	65,966
Cash gratuity allowances	20,340	18,645
	<b>1,158,735</b>	<b>1,135,392</b>

Precautionary suspension since 10 May 2023.

##### Acting CFO-JM Brown (5 October 2024 -31 May 2025)

Acting Allowance	64,914	-
Cell phone Allowance	4,938	-
	<b>69,852</b>	<b>-</b>

Mrs J Brown was appointed as CFO and resumed duties on 1 July 2025

##### Acting Director Corporate services-MB Molefe

Acting Allowance	-	24,864
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## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>30. Related parties (continued)</b>		
Cell phone Allowance	-	2,752
	-	<b>27,616</b>
<b>Acting Director Community services -CP mofokeng</b>		
Acting Allowance	-	8,052
Cell phone Allowance	-	850
	-	<b>8,902</b>
<b>Acting Director Corporate Services-LM Ramorola (1-31August 2024 and 1-31 October 2024)</b>		
Acting Allowance	30,486	55,032
Cell phone Allowance	3,400	6,064
	<b>33,886</b>	<b>61,096</b>
<b>Acting Director Community Services- KA Sothoane( 1 July 2024- 31 October 2024) &amp; (1 May 2025 to date)</b>		
Acting Allowance	44,974	54,874
Cell phone Allowance	5,100	7,595
	<b>50,074</b>	<b>62,469</b>
<b>Acting Senior Manager Corporate Service-Octavius Baloyi (1 November 2025 to date)</b>		
Acting Allowance	67,823	-
Cell phone Allowance	4,950	-
	<b>72,773</b>	-
<b>Acting Senior Manager Community services-Tumelo Mosebi (1 November 2024- 30 April 2025)</b>		
Acting Allowance	53,580	-
Cell phone Allowance	4,250	-
	<b>57,830</b>	-

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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#### 30. Related parties (continued)

##### Key management information

Class	Description	Number
Executive Mayor	Executive Authority	1
Speaker	Executive Authority	1
Single Whip	Executive Authority	1
Member of Mayoral Council	Executive Authority	6
Chairperson sec 79 Committees	Executive Authority	3
Chairperson of MPAC	Executive Authority	1
Councillors (Full time)/Directly elected	Executive Authority	8
Councillors (Part time)	Executive Authority	19

##### Remuneration of key management

##### Management class: Councillors

**Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended June 30, 2025

**Notes to the Annual Financial Statements**

Figures in Rand

**30. Related parties (continued)**

**2025**

Name	Allowance	Travelling	Cell	Medical Aid	Sitting	Travell	Pension	Total
NJ NUM	1,037,587	-	47,004	-	-	-	-	1,084,591
XC NXOZANA	593,784	205,058	47,004	31,234	-	-	-	877,080
SJ LESIE	486,734	192,409	47,004	-	-	-	74,294	800,441
MW MAKGATE	567,307	190,682	50,560	-	-	-	-	808,549
TR MAMPE	339,214	111,292	-	-	-	-	-	450,506
DM MATSAPOLA	495,545	192,410	47,004	-	-	-	83,104	818,063
LG MOLAPISI	503,353	192,410	47,004	18,374	-	-	83,104	844,245
OR THABANCHU	193,821	64,607	-	-	-	-	-	258,428
ZS MPHAFUDI	526,508	192,409	47,004	59,951	-	-	72,089	825,872
T LEKGARI	480,936	184,757	47,004	-	-	-	-	784,786
L RENTEKANE	251,438	82,500	-	-	-	-	-	333,938
PY MTHAWULANA	30,601	9,606	-	-	-	-	-	40,207
MI MANGESI	21,315	7,114	-	-	-	-	-	28,429
HFC JORDAAN	26,274	6,300	3,917	-	-	2,457	-	38,948
MOSIANE SEGOTSO	207,868	81,117	47,004	41,446	-	-	-	377,435
WA MOSTERT	281,620	-	47,004	-	-	-	46,742	375,366
NM SETSHOARO	247,245	81,117	47,004	-	-	268	-	375,634
ME OOSTHUIZEN	248,190	80,172	47,004	-	-	-	-	375,366
LK SHUPING	203,932	81,117	47,004	-	3,675	-	-	375,959
HM STRYDOM	247,245	81,117	47,004	-	-	1,042	-	375,366
KL VAN ZYL	247,245	81,117	47,004	-	-	-	-	375,366
CJ BESTER	-	-	-	-	28,148	136	-	28,284
BS FAKU	-	-	-	-	20,404	356	-	20,760
C HATTINGH	-	-	-	-	708	-	-	708
SL JONAS	-	-	-	-	39,830	1,422	-	41,252
KR KEGONTSE	-	-	-	-	17,954	672	-	18,626
KR LATHA	-	-	-	-	38,181	1,518	-	39,699
IT MEYA	-	-	-	-	32,122	4,796	-	36,918

**Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended June 30, 2025

**Notes to the Annual Financial Statements**

Figures in Rand

<b>30. Related parties (continued)</b>										
IM MOKHELE	-	-	-	-	-	42,564	661	-	-	43,225
MP MOKONE	-	-	-	-	-	28,265	2,528	-	-	30,793
MR MOSHOLI	-	-	-	-	-	2,135	781	-	-	2,916
ME MOSWEU	-	-	-	-	-	11,925	466	-	-	12,391
HM MOTAUNG	-	-	-	-	-	12,644	899	-	-	13,543
A MOTHUPI	-	-	-	-	-	18,456	201	-	-	18,657
PE RAMPAI	-	-	-	-	-	27,936	2,037	-	-	29,973
L SCOTT	-	-	-	-	-	61,911	1,898	-	-	63,809
SP SESANA	-	-	-	-	-	3,350	-	-	-	3,350
MS TLOOME	-	-	-	-	-	27,658	967	-	-	28,625
H HODGSON	-	-	-	-	-	31,282	1,534	-	-	32,816
JJ LOURENS	-	-	-	-	-	28,275	741	-	-	29,016
NJ TSOLELA	45,906	15,302	-	3,917	-	28,519	619	-	-	94,263
KB KALI	-	-	-	-	-	16,188	210	-	-	16,398
MD DE BRUIJN	-	-	-	-	-	16,006	-	-	-	16,006
JF TERBLANCHE	-	-	-	-	-	25,877	257	-	-	26,134
SP KLOPPERS	222,357	76,779	43,087	-	-	-	-	-	-	342,223
F KASONKOMONA	-	-	-	-	-	48,291	828	-	-	49,119
ITEBOGENG, Lebogang Victor	22,382	-	-	-	-	7,472	-	-	-	29,854
	<b>7,528,407</b>	<b>2,209,392</b>	<b>759,537</b>	<b>151,005</b>	<b>619,776</b>	<b>27,294</b>	<b>398,522</b>	<b>11,693,933</b>		

**Dr Kenneth Kaunda District Municipality**  
Annual Financial Statements for the year ended June 30, 2025

**Notes to the Annual Financial Statements**

Figures in Rand

**30. Related parties (continued)**

**2024**

Name	Allowance	Travelling	Cell	Medical Aid	Sitting	Travell	Pension	Total
NJ NUM	990,646	-	53,208	-	-	-	-	1,043,854
XC NXOZANA	584,363	198,126	53,208	10,017	-	-	-	845,714
SJ LESIE	461,993	185,666	53,208	-	-	7,061	95,009	802,937
MW MAKGATE	557,002	185,666	53,208	-	-	-	-	795,876
TR MAMPE	321,876	107,292	10,200	-	-	-	-	439,368
DM MATSAPOLA	477,831	185,666	53,208	-	-	-	79,174	795,879
LG MOLAPISI	477,827	185,666	53,208	-	-	-	79,174	795,875
OR THABANCHU	281,591	93,864	10,200	-	-	-	-	385,655
ZS MPHAFUDI	495,904	185,666	57,394	53,755	-	-	-	792,719
T LEKGARI	448,684	180,295	53,208	-	-	-	92,202	774,389
L RENTEKANE	278,984	92,993	12,900	-	-	-	-	384,877
PY MTSHWAWULA	264,828	88,492	11,100	-	-	-	-	364,420
MI MANGESI	265,341	88,492	10,200	-	-	-	-	364,033
HFC JORDAAN	235,125	78,375	53,208	-	-	-	-	366,708
MOSIANE SEGOTSO	197,263	78,375	53,208	37,862	-	-	-	366,708
WA MOSTERT	268,966	-	53,208	-	-	-	44,534	366,708
NM SETSHOARO	230,281	76,760	49,589	-	-	-	-	356,630
ME OOSTHUIZEN	235,125	78,375	53,208	-	-	-	-	366,708
LK SHUPING	195,045	78,375	53,208	-	-	-	40,080	366,708
HM STRYDOM	235,125	78,375	53,208	-	-	-	-	366,708
KL VAN ZYL	235,125	78,375	53,208	-	-	-	-	366,708
CJ BESTER	-	-	-	-	30,740	1,001	-	31,741
BS FAKU	-	-	-	-	15,808	1,731	-	17,539
C HATTINGH	-	-	-	-	25,144	615	-	25,759
SL JONAS	-	-	-	-	53,093	3,328	-	56,421
KR KEGONTSE	-	-	-	-	19,822	3,656	-	23,478
KR LATHA	-	-	-	-	33,012	8,482	-	41,494
IT MEYA	-	-	-	-	27,158	7,684	-	34,842

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**Dr Kenneth Kaunda District Municipality**

Annual Financial Statements for the year ended June 30, 2025

**Notes to the Annual Financial Statements**

Figures in Rand

30. Related parties (continued)												
IM MOKHELE	-	-	-	55,150	2,357	-	-	-	-	-	-	57,507
MP MOKONE	-	-	-	22,656	-	-	-	-	-	-	-	22,656
MIR MOSHOLI	-	-	-	32,783	16,774	-	-	-	-	-	-	49,557
ME MOSWEU	-	-	-	26,942	2,590	-	-	-	-	-	-	29,532
HM MOTAUNG	-	-	-	10,300	4,826	-	-	-	-	-	-	15,126
LS MOTLHOWA	-	-	-	37,371	16,719	-	-	-	-	-	-	54,090
PE RAMPAI	-	-	-	28,165	10,236	-	-	-	-	-	-	38,401
L SCOTT	-	-	-	40,910	1,790	-	-	-	-	-	-	42,700
SP SESANA	-	-	-	34,494	-	-	-	-	-	-	-	34,494
MS TLOOME	-	-	-	19,649	4,758	-	-	-	-	-	-	24,407
H HADSON	-	-	-	14,586	2,286	-	-	-	-	-	-	16,872
JJ LOURENS	-	-	-	28,481	4,901	-	-	-	-	-	-	33,382
	<b>7,738,925</b>	<b>2,324,894</b>	<b>906,495</b>	<b>101,634</b>	<b>100,795</b>	<b>430,173</b>	<b>12,159,180</b>					

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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#### 31. Prior period errors

The prior period adjustments were made up as follows:

**The take on from Agency in addition to other movements in the Municipality in the current year, resulting in the following:**

- 1) An increase in VAT payables of R2 844 126.
- 2) A decrease in payables of R6 791 077.
- 3) A decrease in Property, Plant and Equipment of R443 519.
- 4) An increase in intangible assets of R673 640.
- 5) A decrease in Investment in Subsidiary of R120.
- 6) An increase in Cash and Cash Equivalents of R6 508 046
- 7) A decrease in Retained Earnings of R2 897 157

The correction of the error(s) results in adjustments as follows:

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand

2025 2024

#### 31. Prior period errors (continued)

##### Statement of financial position and Statement of Financial performance

	2023/24	2022/23
VAT Payable		- (2,844,126)
Payables from exchange transactions		- (6,791,077)
Property, Plant and Equipment		- (443,519)
Intangible Assets		- 673,640
Retained Earnings/Accumulated surplus		- 2,897,157
Investment in subsidiary		- (120)
Cash and cash equivalent		- 6,508,046
Net assets adjustment		-

	Prior Period Audited Balance	Error Adjustment	Total
VAT Payables	-	(2,844,126)	(2,844,126)
Payables from exchange transactions	(19,927,321)	11,503,860	(8,423,461)
Property, Plant and Equipment	51,243,223	(443,519)	50,799,704
Intangible Assets	8,045,108	673,640	8,718,748
Investment in subsidiary	120	(120)	-
Cash and Cash Equivalents	38,576,043	6,508,046	45,084,089
Employee Benefit Obligation	-	(18,979,938)	(18,979,938)
Retained Earnings	(60,825,900)	2,897,157	(57,928,743)
Post Employment Medical Aid Liability	(685,000)	685,000	-
	<b>16,426,273</b>	<b>-</b>	<b>16,426,273</b>

Prior Period Error Relating to Disclosure (GRAP Reclassification):

Bonus provision and the leave liability provision does not meet the requirements of GRAP 104 Financial instruments, but should instead be classified as an employee benefit obligation as per GRAP 25.

Bonus provision and the leave liability provision have therefore been reclassified from payables to employee benefit obligation.

The reclassification resulted in the following:

- 1) An increase in employee benefit obligation of **R18 979 938**
- 2) A decrease in payables of **R18 294 938**
- 3) A decrease in post employment medical aid liability of **R685 000**

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
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#### 32. Risk management

##### Financial risk management

##### Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from non-exchange transactions	348,023	-	-	-
Payables from exchange transactions	12,004,451	-	-	-
	<b>12,352,474</b>	-	-	-

At 30 June 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Payables from non-exchange transactions	347,159	-	-	-
Payables from exchange transactions	8,423,459	-	-	-
	<b>8,770,618</b>	-	-	-

##### Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2025	2024
Receivables from exchange transactions	1,672,579	1,382,199
Cash and cash equivalents	43,427,088	45,084,089

#### 33. Going concern

We draw attention to the fact that the below figures are in rands and at June 30, 2025, the municipality had an accumulated surplus (deficit) of 55,035,306 and that the municipality's total Assets exceed its Liabilities by 55,035,306.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

### Notes to the Annual Financial Statements

Figures in Rand	2025	2024
<b>34. Unauthorised expenditure</b>		
Opening balance as previously reported	75,698,064	72,189,501
Add: Unauthorised expenditure - current	-	-
Add: Unauthorised expenditure - prior period	-	3,508,563
Less: Amount recovered - current	-	-
Less: Amount recovered - prior period	-	-
Less: Amount authorised - current	-	-
Less: Amount authorised - prior period	-	-
<b>Closing balance</b>	<b>75,698,064</b>	<b>75,698,064</b>
<b>35. Fruitless and wasteful expenditure</b>		
Opening balance as previously reported	12,372,036	12,133,575
Add: Fruitless and wasteful expenditure Prior period Agency	646,600	238,461
Add: Fruitless and wasteful expenditure identified - Current	120,905	-
Less: Amount recovered - current	-	-
Less: Amount recovered - prior period	-	-
Less: Amount written off - current	-	-
Less: Amount written off - prior period	-	-
<b>Closing balance</b>	<b>13,139,541</b>	<b>12,372,036</b>
The total amount of R120 905 relate to Payments erroneously made to staff and the R646 600 relate to Agency Take on.		
<b>36. Irregular expenditure</b>		
Opening balance as previously reported	349,405,775	302,112,269
Add: Irregular expenditure - current	-	-
Add: Irregular expenditure - prior period Agency	-	-
Opening balance as Re-stated	349,405,775	302,112,269
Add: Irregular expenditure - current	27,967,629	47,293,506
Add: Irregular expenditure - prior period Agency	9,119,494	-
Less: Amount recovered - current	-	-
Less: Amount recovered - prior period	-	-
Less: Amount written off - current	-	-
Less: Amount written off - prior period	-	-
<b>Closing balance</b>	<b>386,492,898</b>	<b>349,405,775</b>

**Dr Kenneth Kaunda District Municipality**  
Annual Financial Statements for the year ended 30 June 2025

**Notes to the Annual Financial Statements**

	2025	2024
<p><b>36. Irregular expenditure (continued)</b></p>		
<p><b>Incidents/cases identified/reported in the current year include those listed below:</b></p>		
<p style="text-align: center;"><b>No disciplinary steps/criminal proceedings were initiated for the irregular expenditure incurred in the current and prior year</b></p>		
<p>Non compliance with SCM regulation 28(1) (b) Procurement made on expired contract and Non-compliance with SCM regulations (AGENCY)</p>	9,119,494	712,000
<p>Non Compliance with laws and regulation of treasury regulation framework contracts and PPPFA 2022-Not implementing rotational process as stated in tender document</p>	5,637,010	13,931,571
<p>Non-Compliance SCM Policy Sec.12.14, PPR 2017, Bid Adjudication Committee-Non-compliance to Preferential procurement Policy Framework Act and the Regulations - that the highest scored bidder must be awarded a tender.</p>	7,947,115	-
<p>Non compliance with SCM regulation 5 Adjudication Committees were not properly constituted in accordance with the regulation for the appointment of service providers through the competitive bidding processes</p>	-	1,526,608
<p>Non compliance with section 57 of the municipal systems act</p>	-	11,306,766
<p>Non compliance with SCM regulation 17&amp;18.atleast three written quotations notobtained</p>	10,365,368	1,544,589
<p>Non compliance sec 116 contract management</p>	1,765,962	15,957,250
<p>There is no evidence that the BEC "bid evaluation committee" compared the offered price to the market to ensure that it is competitive and economical as required by section 62 of the MFMA par (1) (a ).</p>	2,252,174	2,314,722
	<b>37,087,123</b>	<b>47,293,506</b>

## Dr Kenneth Kaunda District Municipality

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#### 36. Irregular expenditure (continued)

The National treasury MFMA Circular 68 - requires that the Irregular expenditure to be disclosed inclusive of vat, however the municipality in the current year disclosed the irregular expenditure exclusive of vat provided that MFMA circular 68 had not been noted by council.

#### 37. Additional disclosure in terms of Municipal Finance Management Act

##### Contributions to organised local government

Current year subscription / fee	1,472,407	1,457,173
Amount paid - current year	(1,472,407)	(1,457,173)
Amount paid - previous years	-	-
	<u>-</u>	<u>-</u>

##### Audit fees

Opening balance	23,848	16,490
Current year subscription / fee	5,866,294	5,455,586
Amount paid - current year	(5,866,294)	(5,448,228)
	<u>23,848</u>	<u>23,848</u>

##### PAYE and UIF

Current year subscription / fee	29,166,400	26,378,033
Amount paid - current year	(29,166,400)	(26,378,033)
	<u>-</u>	<u>-</u>

## Dr Kenneth Kaunda District Municipality

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<b>37. Additional disclosure in terms of Municipal Finance Management Act (continued)</b>		
<b>Pension and Medical Aid Deductions</b>		
Current year subscription / fee	21,913,592	19,071,643
Amount paid - current year	(21,913,592)	(19,071,643)
	<u>-</u>	<u>-</u>

## Dr Kenneth Kaunda District Municipality

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#### 37. Additional disclosure in terms of Municipal Finance Management Act (continued)

##### Deviation from supply chain management regulations

In terms of section 36 of the Municipal Supply Chain Management Regulations any deviation from the Supply Chain Management Policy needs to be approved by the Accounting officer and noted by Council. Deviations from Supply chain management processes were identified during the year and have been approved by the Accounting officer and reported to Council.

##### Incident

Kishugu Aviation (Pty) Ltd-The DRMC used the services of Kishugu Aviation to extinguish Velds Fires to assist embattled Farmers-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only;	-	295,263
Hasler Business Systems KKDM-(Annual Fees: Franking Machine) and purchase of ink-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only; (annual maintenance and license fees)	24,313	17,543
Adapt IT (renewal of caseware license/Caseware KKDM D6/22-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only;	112,452	166,403
Oranje Toyota Klerksdorp T/A CFAO Mobility Pty Ltd-Repairs of the Toyota Quantum Registration no: FMC 374 NW-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only	-	63,161
Kagiso Ke Tholo Business Enterprise (Pty) Ltd-Procurement of 1000 of 40kg animal feeds to assist embattled Farmers-Procurement done through Regulation. 36 (1)(a) (i) In an emergency ,The Farmers are the first line of defense for fighting veld fires	-	295,000
Midvaal Water Company-Water Samples to analysed the water for Matlosana, Maquassi Hills and JB Marks due the Proximity and the Turnaroud Time for Results-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only	-	50,445
Marce Projects (Pty) Ltd-Procurement of TNT Hydraulic Tool and Equipment Set (Jawsof Life) for Dr KK Fire and Rescue Services/Maquassi Hills-Procurement done through Regulation 36 (1)(a) (i) (In an emergency ,Marce Projects (Pty) Ltd is the only company in South Africa that is accredited to manufacture Jaws of Life to comply with SANS10090: Community Protection Against Fire, Fire Brigade Act, (Act, 99 of 1987)	-	798,926
Government Printing Works-Publishing of by laws for Dr KKDM-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only;	272,371	-
SABC-Annual subscription fees for TV licences-Procurement done through Regulation 36 (1)(a)(ii) If such goods and services are produced or available from a single provider only;	5,300	6,890
Envirocare Laboratory T/A Chisik (water sampling) and use of laboratoty by themunicipality-Water Samples analyses for Matlosana and Maquassi Hills due theProximity and the turnaroud time for resultsmunicipality- and food sample analysis for JB marks and Ventersdorp-Procurementdone through Regulation 36 (1)(a)(ii) If such goods and services are produced oravailable from a single provider only;	-	107,834
Thata Consulting-Supply and delivery of 1500 bottled water (500ml) and 1200 Mageu (1lt) for illegal miners in the Margaret Shaft in Stilfontein-Procurement done through Regulation 36 (1) (a)(v) in any other acceptional case where it is impractical or impossible to follow the official procurement processes; On Sunday 03/11/2024 the Dr KKDM was alerted by SAPS that illegal miners are surfacing in Stilfontein Margaret Mining Shaft. The illegal miners were very weak, evidently dehydrated and starving and the Dr KKDM intervene by procuring water and mageu to assist these illegal miners	57,000	1,881
Working with Fire-Procurement done through Regulation. 36 (1)(a) (i) In an emergency	-	7,452
	<b>471,436</b>	<b>1,810,798</b>

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#### 37. Additional disclosure in terms of Municipal Finance Management Act (continued)

##### Awards to close family members of persons in service of the state - SCM Regulation 45

About Profit (MOTHER: Monyahane Ernestinah Ntaopane works for JB Marks Local Municipality)	-	168,743
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The above awards were made during the current and previous financial year, to Suppliers who have close family members in service of state. Both Suppliers completed the declaration of Interest (MBD 4 FORM)

#### 38. Segment information

##### General information

##### Identification of segments

The municipality is organised and reports to management on the basis of Five major functional areas: Executive and council, Finance and administration, Local Economic Development and Planning and Community Services. The segments were organised around the type of service delivered and the target markets.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources..

Reportable segments are identified based on activities performed of the municipality that generates economic benefits or service potential including internal services that contribute to achieving the municipality's objectives without necessarily generating net cash inflows.

The activities are monitored and reported upon by the department heads on a regular basis through the preparation of the MFMA section 71 reports. The Section 71 reports are then reviewed by management and Council to make strategic decisions in monitoring activities performance. The disclosure of information about segments in these reports are organised around the type of service delivered, in a standardised format namely the National treasury template C schedule- C2 schedule.

##### Information about geographical areas

Separate financial and other relevant information on geographical areas in which the municipality operates is not available as the municipality only operates in the Dr Kenneth Kaunda district, and within its demarcated boundaries.

##### Aggregated segments

Segments were aggregated on the basis of services delivered as management considered that the economic characteristics of the segments were sufficiently similar to warrant aggregation and segments are aggregated because they have similar economic characteristics and share a majority of the aggregation as per the criteria below:

- The nature of the goods and/or services delivered to the customers
- The type or class of customers to which goods and services are delivered
- The method used to distribute the goods or provide the services,

# Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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### 38. Segment information (continued)

#### Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Executive and council	Support services in relation to financial management and governance decision making
Finance and Administration	Financial management, Corporate administration & HR Management
Municipal manager	Ensuring good governance, accountability and effective management of public resources
Local Economic Development and Planning Community Services	Local economic development and SMME support enhancing the quality of life for residents, ensuring social welfare, and supporting the well-being of the community

**Dr Kenneth Kaunda District Municipality**  
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**38. Segment information (continued)**

**Segment surplus or deficit, assets and liabilities**

2025

	Executive and council	Finance and administration	Municipal Manager	Community services	LED and Planning	Total
<b>Revenue</b>						
Revenue from non-exchange transactions	-	220,403,549	-	-	7,882,896	228,286,445
Revenue from exchange transactions	-	5,743,967	-	1,374,873	-	7,118,840
<b>Total segment revenue</b>	-	<b>226,147,516</b>	-	<b>1,374,873</b>	<b>7,882,896</b>	<b>235,405,285</b>
<b>Entity's revenue</b>						<b>235,405,285</b>
<b>Expenditure</b>						
Salaries and wages	(11,668,517)	(38,510,268)	(33,483,851)	(57,114,068)	(15,036,851)	(155,813,555)
Depreciation and Amortisation	(12,039)	(3,816,434)	(270,645)	(1,235,072)	(367,459)	(5,701,649)
Other expenses	(10,543,714)	(26,753,799)	(15,635,336)	(4,902,144)	(16,487,745)	(74,322,738)
<b>Total segment expenditure</b>	<b>(22,224,270)</b>	<b>(69,080,501)</b>	<b>(49,389,833)</b>	<b>(63,251,284)</b>	<b>(31,892,055)</b>	<b>(235,837,942)</b>
<b>Total segmental surplus/(deficit)</b>	<b>(22,224,270)</b>	<b>157,067,015</b>	<b>(49,389,833)</b>	<b>(61,876,411)</b>	<b>(24,009,156)</b>	<b>(432,656)</b>
Total segmental surplus/(deficit)						(432,656)
Gain/(Loss) on leave provision						(1,990,244)
Actuarial gains/Losses						(416,000)
Gain/(Loss) on disposal of assets						(54,541)
<b>Entity's surplus (deficit) for the period</b>						<b>(2,893,441)</b>
<b>Assets</b>						
Segment assets	1,312,258	68,366,055	1,895,483	22,162,571	19,829,669	113,566,036
<b>Total assets as per Statement of financial Position</b>						<b>113,566,036</b>

**Dr Kenneth Kaunda District Municipality**

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	Executive and council	Finance and administration	Municipal Manager	Community services	LED and Planning	Total
<b>38. Segment information (continued)</b>						
<b>Liabilities</b>						
Segment liabilities	-	58,530,730	-	-	-	58,530,730
<b>Total liabilities as per Statement of financial Position</b>						<b>58,530,730</b>
<b>2024</b>						
<b>Revenue</b>						
Revenue from non-exchange transactions	-	217,140,561	-	300,000	4,818,000	222,258,561
Revenue from exchange transactions	-	9,439,303	-	659,960	-	10,099,263
<b>Total segment revenue</b>		<b>226,579,864</b>		<b>959,960</b>	<b>4,818,000</b>	<b>232,357,824</b>
<b>Entity's revenue</b>						<b>232,357,824</b>
<b>Expenditure</b>						
Salaries and wages	(12,159,180)	(37,997,228)	(28,761,197)	(51,428,426)	(12,123,698)	(142,469,729)
Depreciation and amortisation	(18,532)	(2,117,531)	(72,549)	(1,058,389)	(275,340)	(3,542,341)
Other expenses	(10,409,358)	(30,530,000)	(18,133,295)	(10,809,456)	(33,695,516)	(103,577,625)
<b>Total segment expenditure</b>	<b>22,587,070</b>	<b>70,644,759</b>	<b>46,967,041</b>	<b>63,296,271</b>	<b>46,094,555</b>	<b>249,589,696</b>
<b>Total segmental surplus/(deficit)</b>	<b>(22,587,070)</b>	<b>155,935,105</b>	<b>(46,967,041)</b>	<b>(62,336,311)</b>	<b>(41,276,555)</b>	<b>(17,231,872)</b>
Total segmental surplus/(deficit)						(17,231,872)
Gain on leave provision						(3,239,213)
Actuarial gains and losses						(125,000)
Gain/(loss) on disposal of assets						30,361
<b>Entity's surplus (deficit) for the period</b>						<b>(20,565,724)</b>

**Dr Kenneth Kaunda District Municipality**  
Annual Financial Statements for the year ended 30 June 2025

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**38. Segment information (continued)**

<b>Assets</b>					
Segment assets	380,814	74,606,827	1,421,197	16,876,712	15,104,753
<b>Total assets as per Statement of financial Position</b>					<b>108,390,303</b>
<b>Liabilities</b>					
Segment liabilities	-	50,461,560	-	-	-
<b>Total liabilities as per Statement of financial Position</b>					<b>50,461,560</b>

## Dr Kenneth Kaunda District Municipality

Annual Financial Statements for the year ended 30 June 2025

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#### 39. Budget differences

##### Differences between budget and actual amounts basis of preparation and presentation

The budget has been prepared on the accrual basis of accounting in accordance with the prescripts of the Municipal budget regulations as well as MFMA budget circulars.

Variances of 10% and above are regarded as significant and explained.

##### Revenue:

**Government Grants & Subsidies** - The difference results from LGSETA Grant. This is due to the payment schedule as well as the financial year end which are not the same.

**Interest received - external investment-** This is due to funds being prioritised for operational and service delivery needs.

**Sale of Tender Documents:** The Difference is as a result of less tender documents being sold during the 2024/2025 Financial Year.

Tender documents are now being uploaded on E-Tender and Services providers can access and download them without having to purchase them at the municipality

**License and Permits:** Management expanded the scope of service inspections by including Tuck shops.

**Commission:** The difference is due to lower employee uptake of insurance policies and reduced premium collections

**Sale of Assets:** No assets auctioned /sold/ disposed to date.

##### Expenditure:

**Depreciation and amortisation-** Due to additions.

**Other Expenditure:** For the 2024/2025 Financial Year, the variance between the budgeted and actual amounts is less than 10%, which falls within acceptable thresholds as per municipal financial management guidelines..



**DR. KENNETH  
KAUNDA**

DISTRICT MUNICIPALITY



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