DEPARTMENT OF COOPERATIVE GOVERNANCE

ANNUAL REPORT 2024/25

cooperative governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

DDM
DISTRICT DEVELOPMENT MODEL

2030 NDP

DEPARTMENT OF COOPERATIVE GOVERNANCE

ANNUAL REPORT 2024/25

CONTENTS

PART A

GENERAL INFORMATION

1. DEPARTMENT GENERAL INFORMATION

2024/25 ANNUAL REPORT

Department of Cooperative Governance

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PUBLISHED BY: The Department of Cooperative Governance

RP191/025

ISBN: 978-1-77997- 899-8

2. LIST OF ABBREVIATIONS/ACRONYMS

AC	Audit Committee
AENE	Adjusted Estimates of National Expenditure
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AIDS	Acquired Immunodeficiency Syndrome
AO	Accounting Officer
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BRICS	Brazil, Russia, India, China, and South Africa
CA	Chartered Accountant
CAE	Chief Audit Executive
CD	Chief Director
CDPSE	Certified Data Privacy Solutions Engineer
CEFs	Capital Expenditure Frameworks
CEH	Certified Ethical Hacker
CGEIT	Certified in the Governance of Enterprise Information Technology
CHFI	Computer Hacking Forensic Investigator
CISA	Certified Information Systems Auditor
CISM	Certified Information Security Manager
CISSP	Certified Information Systems Security Professional
CoE	Compensation of Employees
CoGTA	Cooperative Governance and Traditional Affairs
CRISC	Certified in Risk and Information Systems Control
CS	Corporate Services
CSIP	Corporate Services Improvement Plan
CWP	Community Work Programme
DA	Democratic Alliance
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBSA	Development Bank of Southern Africa
DCoG	Department of Cooperative Governance
DDG	Deputy Director General
DDM	District Development Model
DFFE	Department of Forestry, Fisheries and Environment
DG	Director-General
DHS	Department of Human Settlements
DM	District Municipality
DMA	Disaster Management Act
DoJ	Department of Justice
DoRA	Division of Revenue Act
DoT	Department of Transport
DPSA	Department of Public Service and Administration
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
DSD	Department of Social Development
DTA	Department of Traditional Affairs
DWS	Department of Water and Sanitation
EA	Executive Authority
EC	Eastern Cape
EDP	Executive Development Programme
EE	Employment Equity
EIP	Executive Induction Programme
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
EXCO	Executive Committee
FBS	Free Basic Services
FMIP	Financial Management Improvement Plan
FMPPI	Framework for Managing Programme Performance Information
FS	Free State
FTE	Full-Time Equivalents
FY	Financial Year
GCIS	Government Communication and Information System
GPSJS	Governance, Public Safety and Justice Survey
GTAC	Government Technical Advisory Centre
HDIs	Historically Disadvantaged Individuals
HIRA	Hazard Identification and Risk Assessment
HIV	Human Immunodeficiency Virus

HR	Human Resources
HSE	Health, Safety and Environmental
IAF	Internal Audit Function
IAMPs	Infrastructure Asset Management Plans
ICMs	Intermediate City Municipalities
ICT	Information and Communication Technology
IDDR	International Day for Disaster Reduction
IDMS	Infrastructure Delivery Management System
IDPs	Integrated Development Plans
IFMS	Integrated Financial Management System
IGR	Intergovernmental Relations
IGRF	Intergovernmental Relations Framework
IGRFA	Intergovernmental Relations Framework Act
IIA	Institute of Internal Auditors
IMC	Inter-Ministerial Committee
IMSI	Intergovernmental Monitoring, Support and Interventions
IPPF	International Professional Practices Framework
ISACA	Information Systems Audit and Control Association
IUDF	Integrated Urban Development Framework
IUDG	Integrated Urban Development Grant
JHB	Johannesburg
KZN	KwaZulu-Natal
LIC	Labour Intensive Construction
LG	Local Government
LGES	Local Government Equitable Share
LGOS	Local Government Operations and Support
LGSETA	Local Government Sector Education and Training Authority
LM	Local Municipality
LM	Limpopo
MBL	Master of Business Leadership
MDB	Municipal Demarcation Board
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MINMEC	Ministers and Members of Executive Council
MISA	Municipal Infrastructure Support Agent
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MP	Mpumalanga
MPRA	Municipal Property Rates Act
MPSA	Minister of Public Service and Administration
MPTP	Municipal Performance Turnaround Plans
MSA	Municipal System Act
MSIG	Municipal Systems Improvement Grant
MSIPs	Municipal Support Improvement Plans
MTAP	Municipal Performance Assessment Tool
MTDP	Medium-Term Development Plan
MTSF	Medium-Term Strategic Framework
NC	Northern Cape
NDMC	National Disaster Management Centre
NDMF	National Disaster Management Framework
NDP	National Development Plan
NECOM	National Energy Crisis Committee
NERSA	National Energy Regulation of South Africa
NJFCC	National Joint Flood Coordination Committee
NPOs	Non-Profit Organisations
NRF	National Revenue Fund
NRW	Non-Revenue Water
NSDF	National Spatial Development Framework
NT	National Treasury
NW	North West
OCFO	Office of the Chief Financial Officer
OCSLA	Office of the Chief State Law Advisor
ODG	Office of the Director-General
OHS	Occupational Health and Safety
OLGA	Organised Local Government Act
PDMC	Provincial Disaster Management Centres
PERSAL	Personnel and Salary System
PFMA	Public Finance Management Act
PGA	Policy Governance and Administration
PoE	Portfolio of Evidence
POPIA	Protection of Personal Information Act
PPE	Personal Protective Equipment

PPP	Public-Private Partnership
RMC	Risk Management Committee
RMO	Result Management Office
RRAMS	Rural Roads Asset Management Systems
SA	South Africa
SACN	South African Cities Network
SADC	Southern African Development Community
SAIA	South African Institute of Architects
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SDB	Standard Draft By-laws
SDF	Spatial Development Framework
SEIAS	Socio-Economic Impact Assessment System
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMS	Senior Management Service
SoLG	State of Local Government
SOPs	Standard Operating Procedures
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
SPPIA	Standards for the Professional Practice of Internal Auditing
STS-TID	Standard Transfer Specification-Token Identifier
UCLGA	United Cities and Local Governments of Africa
UNDRR	United Nations Office for Disaster Risk Reduction
UNISA	University of South Africa
USDG	Urban Settlements Development Grant
WC	Western Cape
WISA	Water Institute of Southern Africa
WSAs	Water Services Authorities
WSP	Workplace Skills Plan
WWTW	Wastewater Treatment Works
WYPD	Women, Youth and Persons with Disabilities

Mr VF Hlabisa, MP
Minister of Cooperative Governance and Traditional Affairs

3. FOREWORD BY THE MINISTER

The year under review marks the conclusion of the Medium-Term Strategic Framework (MTSF), which focused on seven national strategic priorities of the 6th Administration. These priorities are:

1. Building a capable, ethical, and developmental state
2. Economic transformation and job creation
3. Education, skills development, and health
4. Consolidating the social wage through reliable and quality basic services
5. Promoting spatial integration, human settlements, and local government
6. Fostering social cohesion and safe communities
7. Contributing to a better Africa and a better world.

This framework aimed to address these key areas to enhance national progress and well-being.

The Department of Cooperative Governance (DCoG) played a leading role in contributing to the achievements of these strategic priorities, which aimed to propel the country towards attaining the objectives of the National Development Plan (NDP), specifically to decisively deal with the triple challenges of poverty, inequality, and unemployment. These successes are reflected on the pages of this Annual Report for the 2024-2025 financial year, and they act as a bridge for the implementation of the Medium-Term Development Plan (MTDP) of the 7th Administration.

The MTDP simplifies the previous seven strategic priorities of the MTSF down to three key areas, focusing on crucial goals for South Africa. Its main objectives are to stimulate economic growth, create jobs for millions of unemployed citizens, reduce poverty, and lower the high cost of living. Additionally, it emphasises the importance of building a capable, ethical, and developmental state.

This initiative represents the commitment that the 7th Administration has made to the people of South Africa for the current term of government. As the Government of National Unity (GNU), we recognise that our performance will be measured against these goals. The Department of Cooperative Governance is dedicated to fulfilling this pledge through targeted interventions in its primary focus area: local government.

The 2024-2025 financial year was a defining chapter in our quest to build a functional and capable cooperative governance system that ensures responsive and sustainable services to citizens. It is a period marked by a set of extraordinary challenges, demanding choices and transformative victories. As we reflect on the milestones documented in this Annual Report, it becomes evident that the sector has not only withstood the pressures of a complex operating environment but has emerged with renewed focus, innovation and resilience.

The period under review was characterised by a multiplicity of pressures that included, among others, constrained fiscal environments, increasing service delivery demands, natural disasters that displaced people and disrupted their livelihoods, infrastructure backlogs, administrative instability in some municipalities, and the imperative to drive inclusive local economic development in an uncertain macroeconomic climate. These challenges required a reimagining of how local government and the cooperative governance system operate since they were structural and systemic in nature rather than merely technical, political or financial.

Many municipalities, and by extension the country, are grappling with a lack of investment, ageing infrastructure, inconsistent revenue streams, increasing debt, and diminishing public trust rooted in historical underperformance and governance lapses. Natural disasters such as flooding and droughts further compounded these burdens, particularly in vulnerable and under-resourced regions. The effects of climate change are increasingly presenting themselves not as future threats but as present realities, disrupting essential services and placing new demands on municipal planning and resource allocation.

At the same time, technological disruptions and rapid urbanisation accelerated expectations on local government to innovate and provide smarter, faster, and more accountable services. These dynamics forced us to confront hard truths about capacity limitations while identifying new pathways to efficiency.

In the face of adversity, the Ministry of Cooperative Governance and Traditional Affairs and the sector responded with purpose and intentionality. Through the concerted efforts of our national, provincial, business, civil society and organised local government partners, and in close coordination with municipalities themselves, several interventions were implemented to stabilise governance, enhance service delivery, and restore public confidence.

A key focus of these efforts was the revitalisation of financial management in municipalities. The deployment of dedicated support teams, facilitated through the Results Management Office under the Municipal Support and Intervention Programme (MSIP), addressed chronic non-compliance with the Municipal Finance Management Act (MFMA) and contributed to improved audit outcomes. Additionally, the increased adoption of the Integrated Financial Management System (IFMS) and enhanced training for municipal staff significantly improved the credibility and reliability of financial reporting in many jurisdictions.

A parallel emphasis was placed on governance and leadership. Several councils were reconstituted following performance assessments, while the Department provided guidance on the application of the Municipal Systems Amendment Act to professionalise the administrative arm of this sphere of government. Improved enforcement of Section 139 interventions ensured greater oversight and accountability, especially in municipalities under administration.

Through the Community Work Programme (CWP), job opportunities were created, enabling community members to actively contribute to local development through infrastructure maintenance, food security projects and environmental initiatives.

Recognising that infrastructure is both a foundation and catalyst for development, we invested in targeted projects through the Municipal Infrastructure Grant (MIG), the Urban Settlements Development Grant (USDG) and the Infrastructure Delivery Management System (IDMS). These investments were not without hurdles, but notable progress was made in improving access to water, sanitation, roads and community facilities.

The implementation of smart technologies has become a key focus, particularly in our metropolitan municipalities. Through the continuous efforts of the National Strategic Hub, data-driven decision-making is increasingly being integrated into municipal operations. This enhancement has led to improved traffic management, optimised waste collection schedules, and real-time monitoring of service delivery.

We are placing a growing emphasis on climate-responsive planning, as municipalities are now incorporating risk mitigation and adaptation strategies into their Integrated Development Plans (IDPs). The expansion of renewable energy initiatives and waste-to-energy solutions, supported by Green Economy grants, illustrates the shift towards sustainable development.

Perhaps the most crucial progress this year was our effort in encouraging the restoration of the social contract between municipalities and their residents. Public participation processes were deepened through the District Development Model Presidential Izimbizo, and this enhanced ward committee functionality and digital engagement platforms. Citizens were not merely passive recipients of services but active shapers of local priorities.

The Department's approach, centred on putting people first, delivering basic services, ensuring good governance, and building institutional capacity, was reinvigorated, and it bore fruit. In communities where stability and clean governance were restored, service delivery improved, and trust began to be rebuilt.

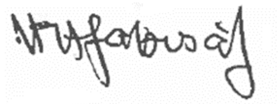
Furthermore, our efforts to promote spatial justice and inclusive growth yielded visible results. Rural municipalities, long marginalised in terms of investment, were given renewed focus through dedicated capacity-building programmes and infrastructure grants tailored to their unique needs. Progress was made in ensuring that no community, however remote, is left behind.

While the progress made over the past year is encouraging, it also reminds us that the journey of transformation is far from over. The sustainability of these improvements depends on institutionalising reforms, retaining skilled personnel, and enhancing cooperation among different spheres of government.

It is now crucial to build on the lessons learned from the 2024/25 financial year to accelerate service delivery, strengthen resilience, and promote innovation. In doing so, we reaffirm our commitment to a local government system that is democratic, accountable, and focused on development.

This Annual Report serves as both a reflection of our current standing and a guide for our future direction. I commend the political leadership in the Ministry, as well as the administrative leaders, officials, and communities, for their contributions to the achievements highlighted in this Report, and most importantly, for maintaining an unqualified audit opinion.

Together, let us continue to build a cooperative governance system and municipalities that work, because when local government works, South Africa works.



Mr VF Hlabisa, MP

Minister of Cooperative Governance and Traditional Affairs

Date: 25 August 2025

Dr ND Masemola, MP
Deputy Minister of
Cooperative Governance

4. DEPUTY MINISTER STATEMENT

It brings us great pleasure to table this Annual Report for the 2024/25 financial year. It stands as a defining chapter in our ongoing pursuit of building a functional and capable cooperative governance system that ensures responsive and sustainable local development.

As the custodians of local government transformation, we, in the Department of Cooperative Governance, have navigated yet another year of challenges while continuing to sow the seeds of resilience, accountability and social inclusion across our municipalities.

It is with both pride and reflection that I join the Honourable Minister of Cooperative Governance and Traditional Affairs, Mr Velenkosini Hlabisa, in introducing this Annual Report, a comprehensive account of our achievements, learnings, and renewed commitment to strengthening the local governance landscape.

At the heart of South Africa's developmental State is a local government system tasked with delivering basic services and facilitating participatory democracy. However, this sphere continues to face systemic challenges such as financial instability, infrastructure backlogs, service delivery protests and institutional capacity constraints.

Some of the challenges faced in the 2024/25 FY were the fact that many municipalities continued to struggle with unfunded budgets, inadequate revenue collection mechanisms, and weak audit outcomes. In response to this challenge, we have implemented a suite of targeted interventions.

These include the deployment of Municipal Support Improvement Plans (MSIPs) to 44 municipalities, many of which transitioned from "dysfunctional" or distressed to "at-risk" or "stable" classifications. Furthermore, through focused oversight and collaborative support, six priority municipalities managed to implement over 60% of their Eskom Debt Relief action plan targets, with the Makana Municipality leading at a remarkable 90% compliance rate. Additionally, 22 municipalities were supported with actionable revenue and credit control recommendations, bolstering efforts toward financial viability.

Our policy and regulatory reforms also gained traction. The gazetting of the Intergovernmental Relations Framework Act (IGRFA) Amendment Bill marked a key milestone in institutionalising cooperative governance frameworks and deepening functional intergovernmental relations. Likewise, the review of the 1998 White Paper on Local Government laid the foundation for a modernised, future-ready governance model.

The Community Work Programme (CWP) continues to serve as a vital mechanism for social protection, community development, and inclusive employment. This resilience reflects the programme's embeddedness within communities and its indispensable role in buffering vulnerable populations from economic marginalisation.

Our focus on skills development and empowerment saw a dramatic upswing in outcomes. A total of 7 980 participants were enrolled in artisanal training thanks to active collaborations with both public and private sector partners. Similarly, over 15 000 participants accessed personal development initiatives, supported by 38 smart partnerships. CWP's contribution to visible service delivery improvements across 30 municipalities affirms its strategic role in enhancing community resilience, improving public infrastructure, and fostering civic pride.

Engagement and accountability remain pillars of effective governance. Ministerial outreach programmes during this period focused intensively on diagnosing local-level challenges and fostering collaborative solutions with communities, traditional leaders, and municipal officials.

These sessions provided direct platforms for residents to voice concerns, share insights, and shape the Department's intervention strategies. While the Annual Report does not detail all outreach efforts, their impact is evident in the improved responsiveness of municipalities and the accelerated adoption of support frameworks such as the Municipal Infrastructure Grant (MIG) implementation oversight, Blue and Green Drop corrective plans.

The District Development Model (DDM) remains central to the Department's strategy of spatial integration, resource coordination, and service delivery optimisation. The 2024/25 FY reporting period marks notable progress in this regard. All 30 priority districts and metros had their One Plans subjected to rigorous quality assurance processes, reflecting institutional maturity and alignment to national development priorities.

Furthermore, 30 districts and metros were successfully monitored to implement at least one DDM catalytic project, a demonstration of the model's potential to drive localised economic growth, infrastructure renewal, and social upliftment. Although MSIG-funded projects fell short of the target, with only one out of three planned municipalities achieving full implementation, the delays were largely due to procurement and legal contracting issues, rather than a lack of political or administrative will.

Strategic amendments to legislation, including the gazetting of the IGRFA Amendment Bill, signal an institutional commitment to entrenching DDM principles across government spheres. Furthermore, the establishment of two key strategic partnerships enhances the Department's ability to secure co-investment and multisectoral collaboration.

As we look to the future, the need for adaptive, inclusive, and accountable local governance has never been more urgent. The lessons and successes of 2024/25 FY have prepared us to meet this call with renewed vigour. With a deepening of intergovernmental collaboration, expansion of public-private partnerships, and ongoing commitment to community participation, we are poised to reimagine the role of local government as a cornerstone of our democratic and developmental state.

One of the key strategic priorities we could not meet during the reporting period is the Review of the Disaster Management System. What delayed this process is extensive consultations which were a prerequisite for us. The Department is aiming to finalise this process and table the reviewed disaster management system in the next financial year.

I wish to express my sincere gratitude to Ministry, Directors-General of both Cooperative Governance and Traditional Affairs, all officials, stakeholders and partners for their support and invaluable contributions towards the achievement of our set targets and ensuring every municipality work. Together, we continue to build a local government system that is not only responsive and resilient, but also reflective of the aspirations of the people it serves.

Dr ND Masemola, MP

Deputy Minister of Cooperative Governance

Date: 25 August 2025

Mr MS Tshangana
Director-General of the Department of Cooperative Governance

5. REPORT OF THE ACCOUNTING OFFICER

It gives me great pleasure to join the Honourable Minister of Cooperative Governance and Traditional Affairs, Mr Velenkosini Hlabisa and the Honourable Deputy Minister of Cooperative Governance, Dr Namane Dickson Masemola, in presenting the Department of Cooperative Governance's Annual Report for the 2024/25 financial year.

This report is more than a collection of figures and milestones, it reflects the transformative power of cooperative governance in the lives of South Africans. It reflects not only the Department's commitment to development, accountability, and service excellence but also the deep and continued partnerships with municipalities, traditional leaders, business, organised local government and communities to build a functional and capable cooperative governance system that ensures responsive and sustainable services to citizens.

Over the past year, the Department has worked tirelessly to advance our Constitutional obligation to create functional, efficient, and a sustainable local government system. At the heart of our work remains a singular objective: to uplift the daily lives of South Africans. This was achieved through the robust implementation of people-driven initiatives, particularly through the Community Work Programme (CWP), which continues to act as a critical vehicle for social protection and employment.

Despite the fiscal constraints imposed by National Treasury, the Department ensured that vulnerable citizens, particularly women and the elderly, continued to benefit from this flagship programme.

Importantly, the CWP has evolved beyond work placement, it is now a channel for empowerment and development. Through innovative smart partnerships, the Department enrolled 15 282 participants in personal development initiatives and 7 980 participants in artisanal skills training, figures that more than double the original targets. These partnerships with both public and private stakeholders have opened new doors for youth and unemployed individuals, providing them with market-relevant skills and opportunities for self-reliance.

Beyond numbers, the real measure of our work lies in its tangible impact. A noteworthy milestone in this regard is the enhancement of service delivery across 30 priority municipalities, where CWP participants made visible contributions to improving basic services. These improvements were not incidental, they are the direct result of coordinated planning, monitoring, and responsiveness at the local level.

While our community outreach was expansive, equally commendable were the Department's internal improvements and governance reforms. Achieving 80% of our pre-determined objectives during the year under review and an unqualified audit opinion by 31 July 2024 represents a significant milestone in our commitment to clean administration and financial integrity. This achievement reinforces public confidence in our stewardship of resources and affirms the Department's dedication to ethical governance.

Internally, the Department implemented 90% of the Corporate Services Improvement Plan (CSIP), driving improved performance, strategic alignment, and organisational efficiency. These interventions are crucial, not just in supporting day-to-day operations, but in laying the foundation for a high-performance culture that is able to respond swiftly to community needs and sectoral challenges.

Moreover, the Department's efforts to support municipal functionality were far-reaching and deliberate. By assisting 44 municipalities with the implementation of Municipal Support Improvement Plans (MSIPs), we moved the dial on local government performance, with 70% of distressed municipalities improving to "at risk" or "stable" status. We also oversaw the implementation of critical recovery and funding plans in financially distressed municipalities, helping to stabilise service delivery and promote long-term viability.

Innovation in governance was also a theme this year. The Department spearheaded the development and consultation of draft regulations for local government indicators in terms of section 43 of the Municipal Systems Act, standardising how performance is monitored and reported across municipalities. This forms part of our broader drive to create accountability frameworks that are consistent, transparent, and geared towards impact.

The Department also finalised and submitted the Local Government: General Laws Amendment Bill and made significant progress in revising the White Paper on Local Government, thereby aligning policy with current realities and long-term developmental goals. These legislative instruments will be pivotal in reshaping local government to be more citizen-centric, fiscally responsible, and developmentally agile.

In response to the escalating threat of climate change, the Department intensified its support to municipalities in implementing Disaster Risk Reduction (DRR) strategies. By the end of the financial year, 14 municipalities had successfully implemented DRR strategies in compliance with the Disaster Management Act. Additionally, 15 municipalities operationalised the National Fire Safety and Prevention Strategy, ensuring that communities are better equipped to deal with fire-related emergencies.

Although the final submission of the revised Disaster Management System to Cabinet was not achieved within the year, extensive consultations, including study tours to Brazil and Malawi, position us well to finalise this foundational system in the coming year.

As we move into the next financial cycle, our focus will be on scaling our successes, institutionalising best practices, and ensuring that no municipality is left behind. We are proud of the work accomplished, yet mindful of the challenges that remain. The foundation laid this year, with its record-setting investments, legislative strides, and community empowerment, affirms our readiness to usher in a new era of responsive, resilient, and people-first governance.

Overview of the financial results of the Department:

Departmental receipts

Departmental Receipts	2024/2025			2023/2024		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	761	204	557	801	228	573
Transfers received	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-
Interest, dividends and rent on land	1 407	2 694	(1 287)	3 206	2 685	521
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	2 000	1 890	110	4 000	4 528	(528)
Total	**4 191**	**5 165**	**(974)**	**8 007**	**7 441**	**566**

The table above depicts actual receipts, projected receipts, and variances. An amount of R5.165 million was collected by the Department by 31 March 2025 against projections of R4.191 million. The revenue collected was from parking, the sale of wastepaper, commission on insurance deductions, and interest on bank accounts for CWP Standard Bank account. It is not always possible to accurately project revenue as the Department is not a revenue-generating organisation.

Programme Expenditure

Programme Name	2024/25			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	384 856	362 532	22 324	364 939	363 567	1 372
Intergovernmental Support	18 757 898	18 756 416	1 482	18 046 432	18 015 620	30 812
Intergovernmental Policy and Governance	101 568 030	99 855 350	1 712 680	95 574 137	92 546 145	3 027 992
National Disaster Management Centre	2 016 297	2 011 712	4 585	2 466 564	2 272 132	194 432
Community Work Programme	3 168 842	3 338 607	(169 765)	3 521 670	3 602 630	(80 960)
Total	**125 895 923**	**124 324 617**	**1 571 306**	**119 973 742**	**116 800 094**	**3 173 648**

Virements

The Department applied for virements in terms of the following:

Programme 1: Administration

R4,308 million shifted from the goods and services allocation to increase compensation of employees (R3,890 million) and transfer payments to households (R394 000) and provincial revenue funds (R24 000) in the same Programme.

Programme 2: Local Government Operations and Support (LGOS)

R1 million from goods and services to compensation of employees (R1million) in the same Programme.

Programme 3: Policy Governance and Administration (PGA)

R3,490 million from goods and services to compensation of employees (R2 million) and transfer payments (R1,490 million) in the same Programme.

Programme 4: National Disaster Management Centre (NDMC)

R1,407 million from goods and services to compensation of employees (R600 000) and provincial revenue (R6 000) in the same Programme and R801 000 was shifted to Programme 5 Community Work Programme Payment for Financial Assets (Theft and Losses).

Roll-overs

The total roll-over request from the 2023/24 to the 2024/25 financial year amounts to R28,702 million. This roll-over is vital for ensuring MSIG projects continue. Of the approved R28,702 million, R5,600 million is for the Smart Cities Framework, R8,168 million for Data Management Project, R9,334 million for Records Management and R5,6 million for the appointment of a service provider to develop Capital Expenditure Frameworks for five Intermediate City Municipalities.

Unauthorised Expenditure

The Department experienced significant overspending of R171,524 million in the 2024/25 financial year, which resulted in unauthorised expenditure, mainly due to the disbursement of wages in the CWP.

Strategic focus over the short to medium-term period

The Department's medium to long-term strategic focus was guided by the priorities of the Medium-Term Strategic Framework (MTSF). The Department developed outcomes, and outcome indicators and set targets to ensure that these priorities are realised. Part B, Section 3 outlines the outcome indicators, five-year targets, and the progress achieved in relation to the MTSF priorities.

During the year under review, the Department of Planning, Monitoring, and Evaluation embarked on a process similar to that undertaken to compile the MTSF with the aim of developing a Medium-Term Development Plan (MTDP) that will serve as a roadmap for the Government of National Unity over the next five financial years. The Department will provide yearly updates on its progress in meeting the three strategic priorities in the Medium-Term Development Plan. Below are the MTDP strategic priorities:

- Driving inclusive growth and job creation;
- Reducing poverty and tackling the high cost of living; and
- Building a capable, ethical and developmental state.

Public Private Partnerships

As stated in the MTDP 2024-2029, establishing an environment that promotes investment from the private sector will continue to be a top priority for government. Additionally, the MTDP notes that a substantial increase in capital investment by both the public and private sectors is required to expand the economy and reduce poverty and unemployment. Similarly, the Medium-Term Strategic Framework asserts that Public Private Growth Initiative has been established to create a structured collaboration with the government, aimed at fostering economic growth and expanding employment opportunities.

Accordingly, the Department remained committed to implementing initiatives designed to forge partnerships that support government priorities. In total, 38 smart partnerships were formed to advance the development of CWP participants during the year under review.

Discontinued key activities / activities to be discontinued

- None

New or proposed key activities

- None

Supply Chain Management (SCM)

- During the financial year under review, the Department has abstained from finalising any unsolicited bids or proposals.
- The Supply Chain Management processes and systems that are in place to prevent irregular expenditure are as follows:

- The Department has established mechanisms and protocols aimed at identifying and preventing potential instances of irregular expenditure.
- The Department has appointed functional Bid Committees to uphold standards of transparency, equity, and adherence to the guidelines outlined in the Preferential Procurement Policy Framework Act, as well as the Preferential Procurement Regulations and the pertinent National Treasury Practice Notes within the realm of Supply Chain Management.

- Challenges experienced in SCM and how they were resolved

- The Department experienced difficulties with the implementation of the departmental procurement plan due to systematic and administrative challenges. These challenges are addressed through the respective governance structures.

Gifts and Donations received in kind from non-related parties

- None

Exemptions and deviations received from the National Treasury

- The Department did not receive any exemptions and deviations from the National Treasury.

Events after the reporting date

- The Department did not have any events after the reporting date.

Other

- None

Acknowledgement/s or Appreciation

In closing, I extend my deepest appreciation to the Minister and Deputy Minister of CoGTA, our partners in all spheres of government, organised local government, traditional leaders, the private sector, civil society, officials in the Department and most importantly, the citizens we serve. Together, we continue to prove that when governance is cooperative, progress is not just possible, it is inevitable. We take pride in presenting this Report and commit to ensure that every municipality works.

Approval and sign off

Mr MS Tshangana

Director-General of the Department of Cooperative Governance

Date: 25 August 2025

6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by National Treasury.

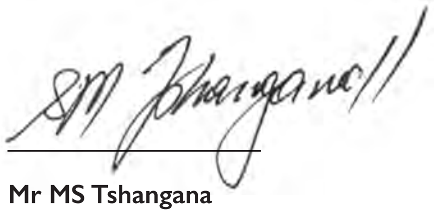
The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2025.

Yours faithfully



Mr MS Tshangana

Director-General of the Department of Cooperative Governance

Date: 25 August 2025

7. STRATEGIC OVERVIEW

7.1. Vision

Efficient and effective cooperative governance system that enables resilient, safe, sustainable, prosperous, cohesive, connected and climate smart communities.

7.2. Mission

To lead the cooperative governance system in support of integrated planning and implementation across all spheres of government.

7.3. Values

Energy, enthusiasm, enjoyment, professionalism, integrity, accountability, servant leadership and a hands-on approach.

8. LEGISLATIVE AND OTHER MANDATES

The legislative and policy mandates that the Department is responsible for implementing or overseeing are as follows:

- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)
- Municipal Demarcation Act (Act No. 27 of 1998)
- Disaster Management Act (Act No. 57 of 2002)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Remuneration of Public Office Bearers Act (Act No. 20 of 1998)

Our mandate is further informed by the following legislation, regulations and frameworks:

- Regulations on Conditions of Appointment of Senior Managers (2014)
- Local Government: Municipal Staff Regulations and Guidelines (2021)
- Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006)
- Spatial Planning and Land Use Management (Act No. 16 of 2013)
- Integrated Urban Development Framework (IUDF) 2016
- National Spatial Development Framework (NSDF)
- National Disaster Management Framework (NDMF) 2005
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- Municipal Electoral Act, 2000 (Act No. 27 of 2000)
- Division of Revenue Act (This legislation is passed annually)
- Administration and Operations: Municipal Infrastructure Support Agent in terms of section 7A (4) of the Public Service Act, 1994 (Government Notice No. R.469 in Government Gazette No. 36634 of 5 July 2013)

8.1 UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

In 2021, the DCoG finalised the Smart Cities Framework for South African Cities and issued various Circulars to guide and manage the transition relating to prior and post local government elections.

The Municipal Staff Regulations were operationalised with effect from 1 July 2022, and the draft Code of Conduct Regulations for Councillors were also developed during the same financial year. These interventions collectively are meant to strengthen governance and thereby provide a conducive environment for municipalities to perform their functions. However, while these policies and legislative interventions are positive developments for the sector, the desired impact can only be achieved if there is political stability and no intra- and inter-political fighting.

During the year under review, the Cabinet approved the Local Government General Laws Amendment Bill 2024, the Municipal Structures Amendment Bill 2024, and the Intergovernmental Monitoring, Support and Interventions Bill. The DCoG also introduced the Independent Municipal Demarcation Authority Bill to Parliament in June 2022, whilst the Intergovernmental Relations Framework Amendment Bill was certified by the Office of the Chief State Law Advisor and is undergoing refinements. The aim is to conclude all these pieces of legislation during the 7th Administration.

Drawing from existing reporting tools and the State of Local Government (SoLG) report, the Department is developing a standardised municipal performance assessment tool to enable uniform reporting across provinces. The proposed municipal performance assessment tool incorporates indicators from various sources, such as MFMA Circular No. 88 of 2017; the Back-to-Basics Questionnaire, and lessons drawn from provinces that have been reporting. The tool will monitor municipalities in the following areas:

- Putting people first.
- Good governance.
- Building capable local government institutions.

- Sound financial management.
- Service delivery; and
- Local Economic Development.

8.1.1 Other Applicable Policies

Our mandate is broad and touches on the functions performed by most national and provincial departments as well as the country's 257 municipalities. In executing our mandate, it is therefore important to focus on strategic priorities that will allow us to maximise our impact in reducing poverty, inequality, and unemployment with the limited resources available to us. Our strategic priorities are primarily informed by our legal mandate discussed above. Amongst others, the following policies are in place to ensure sound planning practices and effective performance monitoring, reporting, and evaluation in government.

8.1.2 National Development Plan (NDP) 2030

The National Development Plan seeks to eradicate poverty and reduce inequality in South Africa by 2030. Government continues to make progress towards implementing the National Development Plan goals. Although efforts have been made to implement the NDP goals, a great deal remains to be done. The three spheres of government, particularly local government, face several challenges that threaten to undermine efforts to fully implement the NDP goals. The challenges facing local government include, amongst others, poor financial management, corruption, poor capacity, weak administrative systems, and undue political interference in technical and administrative decision-making. With huge socio-economic demands, the country took a conscious decision to build a capable developmental state. This requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and the consistent and fair application of rules. The following interventions are recommended in the NDP:

- Relations between national, provincial, and local government should be improved through a more proactive approach to managing the intergovernmental system.
- Provinces should focus on their core functions and develop their capacity to support and oversee local government.
- Develop regional utilities to deliver some local government services on an agency basis, where municipalities or districts lack capacity.
- Use differentiation to ensure a better fit between the capacity and responsibilities of provinces and municipalities.
- Take a more proactive approach to resolving coordination problems and a more long-term approach to building capacity.
- Introduce a graduate recruitment programme and a local government skills development strategy to attract high-quality candidates.
- Develop long-term skills development strategies for senior managers, technical professionals, and local government staff.

8.1.3 Medium-Term Strategic Framework (MTSF) 2019-2024

The MTSF is an integrated monitoring framework and implementation plan that serves as a roadmap towards attaining the vision of the National Development Plan over the medium-term. It centres around the priorities of the sixth administration and corresponding interventions aimed at achieving the National Development Plan goals.

During the 2024/25 financial year, the Department contributed directly to the delivery of five MTSF priorities and developed outcomes and output indicators to ensure that these priorities are realised.

The focus on implementation in the MTSF required all three spheres of government to work collaboratively through the District Development Model (DDM) approach. The DDM bridges the gap between the three spheres of government to ensure better coordination, coherence and integration of government planning and interventions and therefore also brings government closer to the people. It is therefore important that the three spheres of government work collaboratively to ensure alignment between their powers and functions, planning and budget allocation processes, and coordinated implementation.

8.1.4 Medium-Term Development Plan (MTDP) 2024-2029

Similar to the Medium-Term Strategic Framework, the 2024-2029 Medium-Term Development Plan serves as a guide for realising the vision of the National Development Plan, which is aimed at moving South Africa towards the year 2030. While the MTDP and MTSF share similarities, the Department of Planning, Monitoring, and Evaluation states that the MTDP is primarily "framed as an economic plan to address existing socio-economic challenges" and focuses on development outcomes.

8.1.5 Framework for Managing Programme Performance Information (FMPPI) 2007

The Framework for Managing Programme Performance Information is a public sector framework aimed at describing the processes for developing and implementing management systems for obtaining performance information, reporting and using information.

9. ORGANISATIONAL STRUCTURE

MINISTER

DEPUTY MINISTER

DIRECTOR GENERAL

- CD: Executive Support
- CD: Strategic Planning and Internal Monitoring, Reporting and Evaluation
- CD: Internal Audit
- Dir: Enterprise Risk Management

BRANCH
Local Government Operations and Support

- CD: North West and Northern Cape
- CD: KwaZulu-Natal and Coordination
- CD: Western Cape and Eastern Cape
- CD: Free State and Gauteng
- CD: Mpumalanga and Limpopo
- Unit: MIG Administration

BRANCH
Policy, Governance and Administration

- CD: Municipal Funding and Revenue Support
- CD: Municipal Governance and Structures
- CD: Municipal Administration and Capacity
- CD: Planning and Policy Support
- CD: Knowledge Management and Monitoring and Reporting Systems

BRANCH
National Disaster Management Centre

- Dir: Information Technology and Knowledge Management Services
- Dir: Disaster Risk Assessment and Early Warning
- CD: Policy, Institutional Development and Compliance Management
- CD: Disaster Risk Reduction and Capacity Development
- CD: Disaster Response and Recovery Coordination

BRANCH
Community Work Programme

- CD: Community Work Programme Implementation (NW, GP and FS)
- CD: Community Work Programme Implementation (KZN, LP and MP)
- CD: Community Work Programme Implementation (WC, EC and NC)
- Unit: Coordination and Administration (Back Office)
- Unit Partnership and Special Project

BRANCH
Corporate Services

- CD: Human Resource, Facilities and Security Management
- CD: ICT Management
- CD: Branding, Marketing and Communications
- CD: Legal Services

BRANCH
Financial and Supply Chain Management

- Dir: Internal Control
- CD: Financial Management
- Dir: Supply Chain and Assets Management

10. ENTITIES REPORTING TO THE MINISTER

The table below indicates the entities that report to the Minister.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Municipal Infrastructure Support Agent (MISA)	As a government component within the Cooperative Governance and Traditional Affairs portfolio, MISA derives its mandate from section 154(1) of the Constitution of the Republic of South Africa, 1996. The provisions of this section of the Constitution place the responsibility on both national and provincial governments to support and strengthen, by legislative and other measures, the capacity of municipalities to manage their affairs, exercise their powers, and perform their functions. MISA was established to serve as an agent of DCoG to drive the provision of technical support to municipalities with the view to strengthening their capacity for planning, delivery, as well as operation and maintenance of infrastructure for the provision of municipal services.	Grant funding	• Supporting municipalities to conduct effective infrastructure planning to achieve sustainable service delivery; • Supporting and assisting municipalities with the implementation of infrastructure projects as determined by the municipal Integrated Development Plans (IDPs); • Supporting and assisting municipalities with the operation and maintenance of municipal infrastructure; • Building the capacity of municipalities to undertake effective planning, delivery, operations and management of municipal infrastructure; and • Performing any function that may be deemed ancillary to those listed above.
South African Local Government Association (SALGA)	• The Constitution of South Africa • The Organised Local Government (OLG) Act • The White Paper on Local Government • The Municipal Systems Act (MSA) • The Municipal Finance Management Act • The Intergovernmental Relations Framework Act.	• Municipal levy • Grant allocation	• Lobby, advocacy and representing the interests of municipalities in legislatures and other policymaking and oversight structures and engaging with various stakeholders in public debates and other platforms in the interest of the local government. • Employer Body that represents its municipalities in collective bargaining as stipulated in the Labour Relations Act. • Facilitating capacity building initiatives for municipalities and representing municipalities' interests in the Local Government Sector Education and Training Authority (LGSETA). • Support and advice services to enable municipalities to understand and interpret trends, policies, and legislation affecting local government and the implementation thereof. • Strategic profiling: Elements here refer to enhancing the profile and image of local government as an essential and credible agent for the delivery of services. Profiling needs to take place on a national level, but also in Africa and the rest of the world. • Knowledge and information sharing to build and share a comprehensive hub of local governmental knowledge and intelligence. The knowledge hub is also a useful reference point for all who seek information on local governments.

Name of Entity	Legislative Mandate	Financial Relationship	Nature of Operations
Municipal Demarcation Board (MDB)	Local Government: Municipal Demarcation Act, 1998 (Act 27 of 1998), Local Government: Municipal Structures Act, 1998 (Act 108 of 1998), Constitution of the Republic of South Africa (Act 108 of 1996) Cabinet resolutions.	Grant funding	• Determine and re-determine municipal outer boundaries. • Delimitation of wards for local government elections. • Conduct capacity assessments of the district and local municipalities to perform their functions and exercise their powers and provide advice to Members of Executive Committees. • Render advisory service in respect of matters provided for in the Municipal Demarcation Act. • By way of cabinet resolution, the MDB also assists government Departments in aligning their service delivery boundaries to municipal boundaries.
South African Cities Network (SACN)	South African Cities Network was established as a Section 21 Company in terms of the South African Companies Act, 2008.	Municipal levy Grant allocation	• Knowledge and information exchange, experiences and best practices on urban development and city management amongst members. Secretariat to oversee governance, administration and programme functions. • An active Board for oversight and championship. • Providing thought leadership by producing and disseminating credible and continual research about cities and key urban themes. • Enable and support cities to act and speak with one voice. • Establish strategic relations locally, regionally, and internationally to support the work of the network.

PART B

PERFORMANCE INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 166 of the Report of the Auditor-General, published as Part F: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

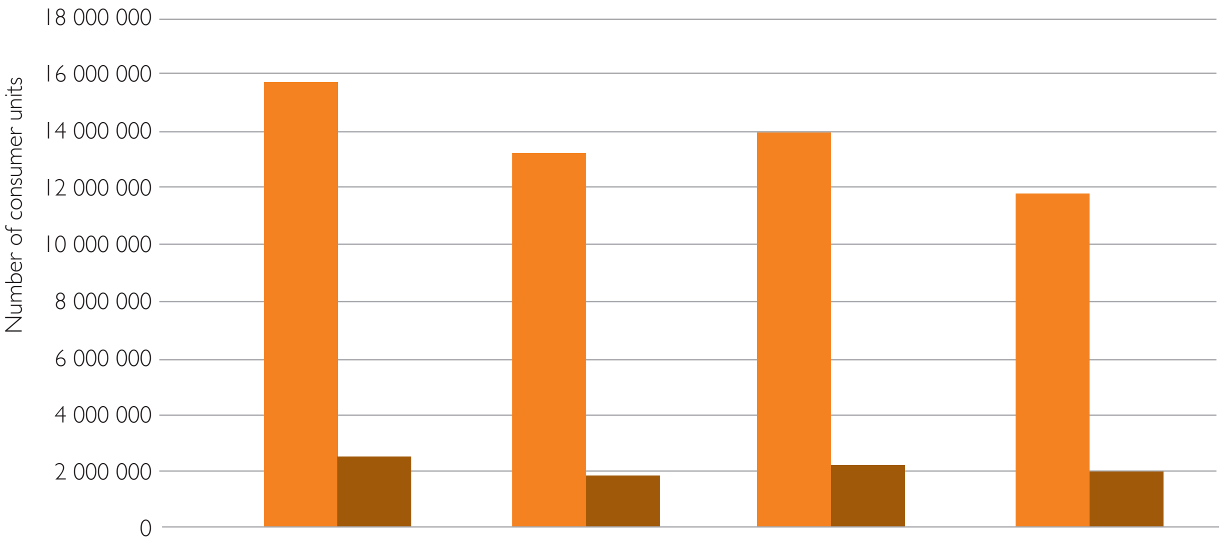
2.1 Service Delivery Environment

Provision of services and free basic services

Figure 1 presents the most recent data published by Stats SA on the number of consumer units that received services and those that benefited from the free basic services policy in 2023. Consumer units refer to delivery points where municipalities supply essential services such as water and electricity, amongst others, to residents. Of all units receiving solid waste management services, 16.8% received free basic solid waste management services. The percentages for the other services were 15.7% for water, 15.6% for sewerage and sanitation, and 13.9% for electricity.

While a significant number of consumer units received essential municipal services in 2023, only a relatively small proportion benefitted from the free basic services policy across all categories. The data highlights ongoing gaps in the reach of free basic support, underscoring the continued need for targeted efforts to expand access for the most vulnerable households.

Figure 1: Number of consumer units receiving services and free and free basic services: 2023



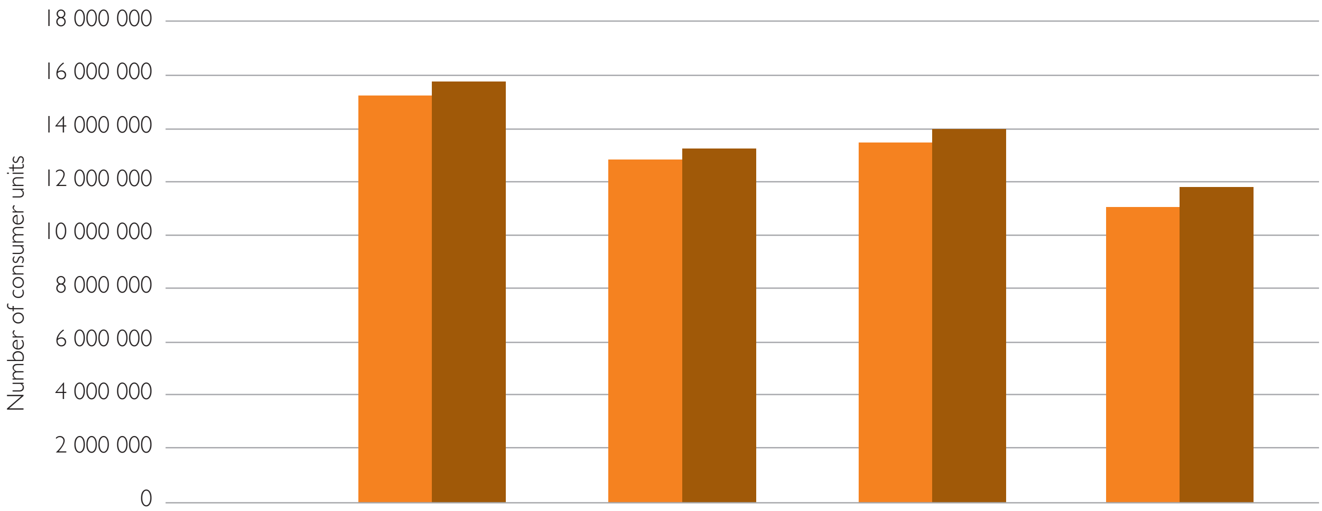
	Water	Electricity	Sewerage and sanitation	Solid waste management
Basic services	15 766 721	13 261 834	13 990 522	11 761 128
Free basic services	2 480 126	1 849 746	2 189 099	1 981 200
% Contribution	15,7	13,9	15,6	16,8

Source: Stats SA (2023)

Overall, free basic services provided to indigent households increased by 5.2% compared to the 2021/2022 period, according to the most recent data released by Stats SA. Of the 2.8 million identified indigents, 2.1 million received water support, 1.7 million benefited from electricity, 1.8 million gained sewage and sanitation aid, and 1.7 million received solid waste management. These increases are primarily attributable to a higher number of households registering as a result of municipal awareness campaigns and Integrated Development Plan stakeholder meetings, which actively encourage eligible households to apply for free basic services.

Although there remains a need to enhance the provision of basic services to indigent households, the notable rise in the provision of free basic services to indigent households demonstrates the positive impact of targeted municipal initiatives and stakeholder engagement. By developing and implementing credible indigent policies that are in line with the National Framework on Municipal Indigent Policies, encouraging registration and facilitating access, a greater proportion of vulnerable communities will receive essential support, contributing to improved quality of life and social equity. In the 2025/26 financial year, the Department will develop a specimen to evaluate the credibility of municipal indigent policies, thereby ensuring that municipalities develop and implement these policies in order to deliver free basic services to indigent households.

Figure 2: Number of consumer units receiving services from municipalities



	Water	Electricity	Sewerage and sanitation	Solid waste management
2022*	15 274 302	12 857 866	13 496 878	11 113 427
2023	15 766 721	13 261 834	13 990 522	11 761 128
Difference	492 419	403 968	493 644	647 701
% change	3,2	3,1	3,7	5,8

Source: Stats SA (2023)

Figure 2 shows that between the 2022 and 2023 financial years, there was an increase in the number of consumer units receiving services from municipalities. During this period, solid waste management experienced the highest percentage growth at 5.8%, followed by sewerage and sanitation services at 3.7%. Water services demonstrated a 3.2% increase, while electricity services saw the lowest percentage rise at 3.1%.

Stats SA data revealed that the number of consumer units receiving services from municipalities has increased. The 2023 State of Local Government Report, released by the Department in the 2024/25 financial year, provides further evidence of continued efforts and quantifiable progress made to improve service delivery within South African municipalities. The report identifies Eastern Cape, Gauteng, KwaZulu-Natal, Mpumalanga, and Western Cape as provinces that are adequately resourced and exhibit sound governance practices, leading to notable improvements in service provision and organisational effectiveness. The 2023 State of Local Government Report also indicates that the number of municipalities classified as distressed decreased from 64 in 2021 to 66 in 2022, and subsequently to 35 in 2023. It should be noted that, including those identified by the Cabinet, the total number of distressed municipalities now stands at 38. This positive downward trend was observed across all provinces except for three: Free State (FS) with 10, Northern Cape (NC) with nine, and Eastern Cape (EC) with seven municipalities remaining in distress.

During the 2024/25 financial year, the Department continued its efforts to facilitate the implementation of Municipal Support and Improvement Plans (MSIPs) by providing comprehensive support to numerous municipalities. Over the reporting period, the Department supported 44 municipalities with the implementation of MSIPs. The primary aim of these MSIPs is to support distressed municipalities in enhancing their overall performance.

The Department's focused approach through the implementation of Municipal Support and Improvement Plans (MSIPs) has played a pivotal role in assisting several municipalities in overcoming operational and strategic challenges. These interventions help bolster performance and facilitate the recovery of municipalities struggling with service delivery. Despite the progress made, municipalities still confront persistent challenges. Sustaining effective service delivery requires ongoing attention to issues such as capacity constraints, financial mismanagement, and weak governance, amongst others. Focused efforts to close remaining gaps will be crucial to maintaining momentum and ensuring that all municipalities can deliver reliable services to their communities.

Community Work Programme

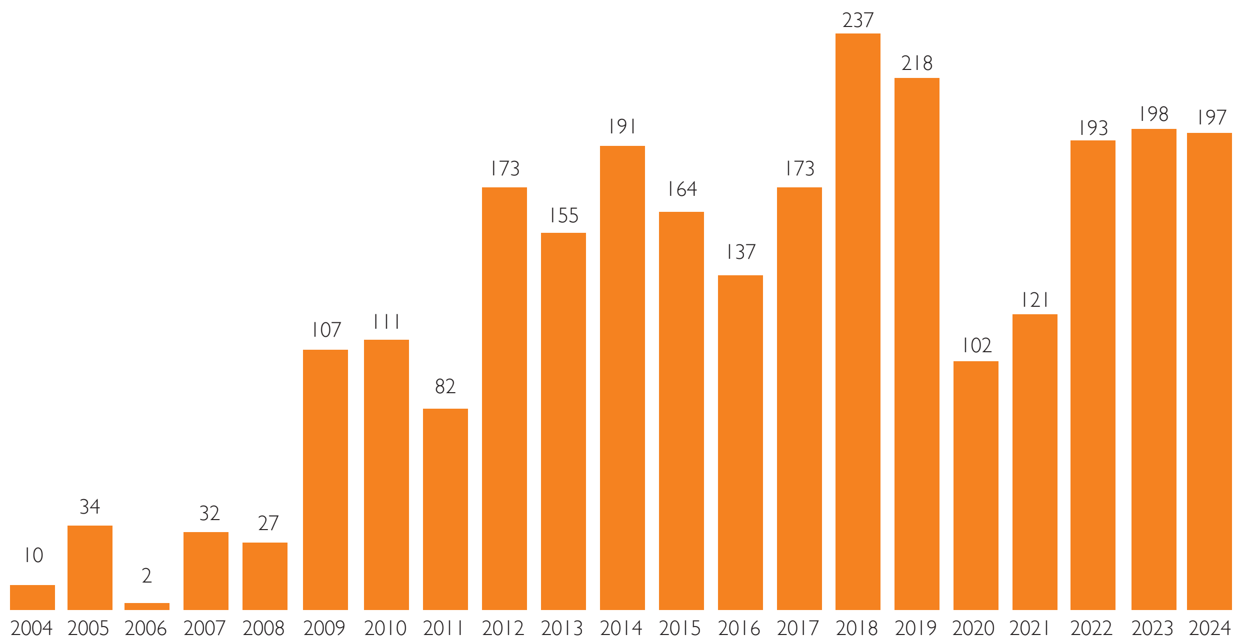
The Community Work Programme (CWP), administered by the Department, aims to provide participants with opportunities for employment, skills development, and personal development. At the end of the 2024/25 financial year, 251 865 individuals actively participated in the Community Work Programme (CWP), reflecting the Department's ongoing commitment to expanding access to employment opportunities and skills development across South Africa. However, the persistent budget reductions by the National Treasury presented considerable challenges to the effective delivery of the Community Work Programme during the reporting period. Consequently, the Department was unable to increase the number of CWP participants.

The Community Work Programme stands as a vital pillar of social and economic support for South Africa's vulnerable communities, offering meaningful pathways to employment and personal growth for hundreds of thousands of participants. However, the challenges posed by ongoing budget reductions threaten to constrain its reach and impact. To fully realise the transformative potential of CWP, it is essential that sustained and adequate funding be prioritised for the Programme. By doing so, the Department and its partners can ensure the continued empowerment of individuals and the upliftment of communities, fostering a more inclusive and resilient society.

Municipal service delivery protests from 2004 to 2024

The annual number of service delivery protests since 2004 is presented in Figure 3.

Figure 3: Number of service delivery protests from 2004 to 2024



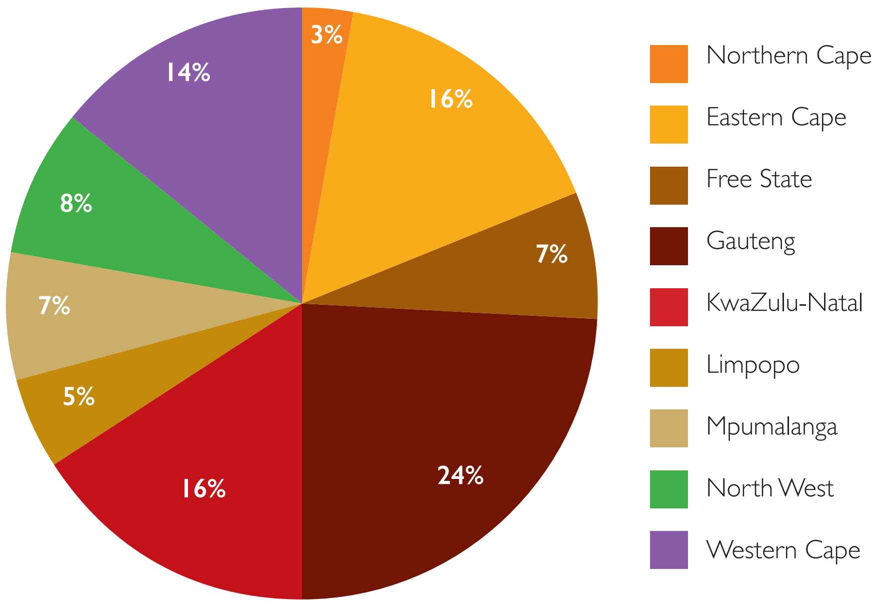
Source: Municipal IQ Hotspot Monitor (2024)

Over the past twenty years, South Africa has experienced a significant rise in municipal service delivery protests. With the exception of the pandemic years (2020 and 2021), this upward trend has persisted, reaching record levels in recent times. In 2024, there were 197 documented protests, ranking as the fourth highest annual total since 2004 and nearly equal to the 198 incidents recorded in 2023.

Protest trends for 2024

The Hotspot Monitor indicates that a substantial proportion of protests took place within the nation's metropolitan areas. In 2024, eight metropolitan municipalities accounted for 62.4% of all municipal protests, representing an increase of 51, 5% in 2023. This is particularly significant given that these metropolitan areas accounted for 40% of the South African population according to the 2022 Census.

Figure 4: **Provincial split in municipal protests from 2004 to 31 December 2024**

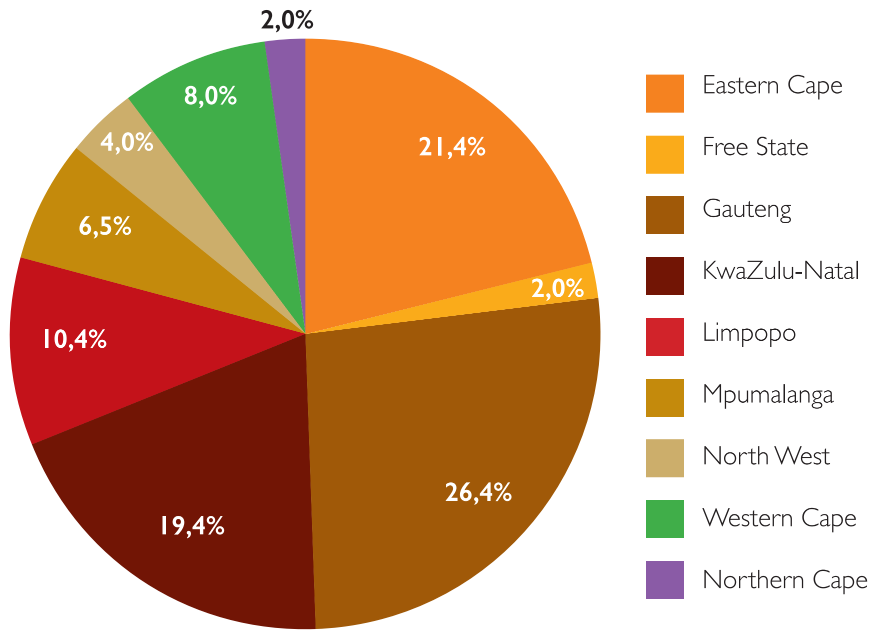


Source: Municipal IQ Hotspot Monitor (2024)

Figure 4 shows the provincial breakdown of municipal protests from 2004 to 2024. Gauteng accounts for 24% of the protests, followed by KwaZulu-Natal and Eastern Cape at 16% each, and Western Cape at 14%. The most populous provinces saw the highest protest activity, while the Northern Cape, with the smallest population, had the least.

The observed trends indicate that dissatisfaction with service delivery is notably pronounced in urban and densely populated provinces. This underscores the necessity for strategic interventions and effective governance tailored to these areas.

Figure 5: **Provincial split in municipal protests 1 January 2024 to 31 December 2024**



Source: Municipal IQ Hotspot Monitor (2024)

Figure 5 shows that Gauteng had the highest share of municipal protests in 2024 (26.4%), while the Eastern Cape represented 21.4%. In 2024, the Eastern Cape moved from third to second place in protest numbers compared to 2023. KwaZulu-Natal (19.4%), Limpopo (10.4%), and Western Cape (8%) also recorded significant protest activity.

These patterns suggest that service delivery dissatisfaction is particularly acute in South Africa's urban and populous provinces, with the issue escalating in recent years. The rising trend, especially in metropolitan areas, calls for attention to the underlying causes and the need for responsive municipal governance.

National Disaster Management Centre

During the period under review, the National Disaster Management Centre (NDMC) worked with 14 municipalities that are implementing Disaster Risk Reduction (DRR) strategies to prevent, prepare, and mitigate disaster risks and enhance climate protection through applicable disaster management plans. The National Disaster Management Centre aims to continue with this project in the 2025/26 financial year as it aligns with the 2024-2029 MTDP which focuses on disaster risk management and enhancing climate protection within municipalities through the development and implementation of municipal disaster management plans. These plans incorporate aspects of climate change response plans led by the Department of Forestry, Fisheries and Environment (DFFE) within the 14 identified municipalities. The project emphasised the need to refocus on strengthening mitigation and preparedness measures, and reinforced efforts to achieve legislated compliance targets such as the provisions of the Disaster Management Act, 57 of 2002, as amended, calling for organs of state across the three spheres of government to develop and implement disaster management plans that should be submitted to the NDMC. These plans and their implementation encompass strategies to prevent and reduce the risk of disasters; mitigate the severity or consequences of disasters; facilitate emergency preparedness; and ensure rapid and effective response to disasters and post-disaster recovery and rehabilitation. There is still a challenge related to institutional capacity and funding mechanisms in most of the municipalities to conduct disaster risk assessments, identify and map risks, areas, ecosystems, communities and households that are exposed or vulnerable to physical and human-induced threats. As a result, only a few of these municipalities can provide measures and indicate how they will invest in disaster risk reduction and climate change adaptation, including ecosystem and community-based adaptation approaches.

The NDMC sought to institutionalise and strengthen community resilience, focusing on the sustained long-term people-centred risk awareness against vulnerabilities and ownership of preparedness tools (skills, capacity, equipment, etc). This perspective is enriched by the recognition of the importance of creating awareness of disaster risk reduction, amongst others, through the commemoration of the International Day for Disaster Reduction (IDDR). The 2024 IDDR was commemorated on 10-11 October 2024 at Jack Botes Hall in Polokwane, Limpopo Province, under the theme: "Empowering the Next Generation for a Resilient Future: The Role of Education in Protecting and Empowering Youth for a Disaster-Free Future".

While it provided an opportunity for disaster management practitioners and policy makers to acknowledge the progress that is being made towards reducing disaster risk and losses in lives, livelihoods, and health in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 (Sendai Framework), the 2024 IDDR commemoration theme highlighted the transformative power of education in building resilient societies. It further underscored the pivotal role of education in preparing younger generations to face and mitigate the impacts of natural and man-made disasters that impact the well-being of children and youth. Every child and youth deserve to be protected from disasters, especially while at school. Hence, schools were/ have been identified as having a critical role in promoting a culture of disaster prevention and empowering young people to understand and act on the risks they face.

The NDMC launched the National Technical Task Team, which was established to serve as a collaborative platform for disaster management stakeholders across all spheres of government. The structure was created with three core goals in mind: strengthening disaster risk governance; increasing investments in risk reduction measures to minimise loss of life, economic damage, and environmental degradation; and enhancing disaster preparedness for more effective response, recovery, and reconstruction efforts. The Technical Task Team is aimed at bringing stakeholders to work together, learn from each other's efforts, remain proactive, and fully implement respective legislative mandates to better protect the people of South Africa and their future. Its focus will shift from policy development towards action that creates a safe and resilient environment for all South Africans.

2.2 Service Delivery Improvement Plan

The Department has not developed a Service Delivery Improvement Plan because of capacity constraints within the Strategic and Executive Support Chief Directorate. It is significant to highlight that the Department is currently undertaking a review of its organisational structure. This initiative will strengthen the capacity of the Chief Directorate, enabling it to effectively develop and implement a Service Delivery Improvement Plan in accordance with the Public Service Regulations, 2016. Furthermore, it will equip the Chief Directorate to identify and monitor areas requiring improvement to ensure sustained progress towards elevated service delivery standards.

Although the Service Delivery Improvement Plan has not been developed, the Department has undertaken initiatives to implement the Batho Pele principles. The following table summarises the progress achieved during the reporting period.

Batho Pele arrangements with beneficiaries (consultation access, etc.) Current/actual arrangements	Desired Arrangements	Actual Achievements
CoGTA website is available and accessible.	99.9% website uptime in line with the industry norms.	In the 2024/25 financial year, the CoGTA website demonstrated a significant increase in performance metrics compared to the previous year. The total page views reached an impressive 1,148,384, showcasing a notable rise from the 803 604 recorded in the 2023/24 financial year. This increase indicates enhanced engagement and interest in the website's content. Additionally, the number of new users surged to 263 135 during the year under review, a substantial improvement from 150 703 new users recorded in the previous year. This growth suggests that the website has successfully attracted a larger audience, reflecting its expanding reach and effectiveness in engaging new visitors. Overall, the year-on-year analysis highlights a positive trajectory in the CoGTA website's performance, characterised by increased page views and a growing number of new users.
Implementation of the Workplace Skills Plan (WSP).	Twenty Workplace Skills Plan training programmes have been successfully implemented.	During the 2024/25 financial year, 30 training programmes were implemented, comprising both generic and technical programmes.

2.3 Organisational Environment

The reporting period encompassed a change in political leadership, marking the transition from the 6th Administration to the 7th Administration. This shift reinforced the Department's efforts from the previous year, with a directive to ensure each municipality functions effectively.

During the reporting period, the Department continued its collaboration with the Government Technical Advisory Centre (GTAC) to review the organisational structure, ensuring alignment with the functional requirements of the DCoG mandate. Multiple tasks were completed, including the "As-Is" Situational Analysis, Service Delivery Model, Business Case and high-level macro-organisational structure.

Internal rearrangements were made for the re-establishment of the Branch: Community Work Programme (CWP), resuscitating the Corporate Planning, Internal Monitoring and Evaluation Function, and moving Municipal Infrastructure Grant (MIG) function to the Branch: Local Government Operations and Support (LGOS).

These proposals were supported and approved on 30 October 2024 for implementation by the Executive Authority (EA) and have received the concurrence of the Minister of Public Service and Administration (MPSA).

However, wholesale changes proposed by GTAC on the Department's macro-organisational structure to align with DCoG's mandate have not been finalised as engagements with National Treasury and the Department of Public Service and Administration are yet to commence.

These efforts took place in an environment where the capacitation of the organisational structure and filling of vacancies was hindered by the DPSA extending its Circular

49 of 2023 during the reporting period, as well as the limited budget for filling vacant posts.

The directive by the DPSA on control measures to manage fiscal sustainability in the process of creating and filling vacant posts remained in effect for the entire 2024/25 financial year. As a result, the recruitment process was delayed as all post requisitions needed approval from the Minister for Public Service and Administration and the National Treasury.

To address this, alternative resourcing strategies such as secondments, internal transfers, cross-functional project teams, fixed-term contracting, and consultants were used to augment the shortage of capacity while adhering to the stringent recruitment processes. Despite the challenges, the Department kept the vacancy rate below 10%.

The Business Continuity Management Committee actively monitored business disruptions like water and electricity outages and strikes by CWP participants. Whenever such a disruption was identified and advanced notice received, staff at the affected site(s) were informed to work from home or an alternative site.

The review of multiple Corporate Services policies as well as the introduction of ICT Power Hours and training on emerging technologies, including the preparation for the implementation of Artificial Intelligence solutions, further aim to improve departmental resilience, whilst adequately managing security risks. There were no cases of corruption from a discipline management point of view that were reported.

2.4 Key Policy Developments and Legislative Changes

The draft Regulations on Local Government Indicators have been developed to strengthen the legislative and policy basis on which performance information is supplied by municipalities through the reform of the Municipal Planning and Performance Management Regulations of 2001 (issued in terms of section 43 of the Municipal Systems Act, 2000). This will ensure that there is a regulatory basis for compelling the reporting of complete, timely and accurate performance information by municipalities. The Regulations, to be developed further in 2025, will give effect to and standardise the joint government reporting reform work through Circular 88 between the National Treasury, DCoG and the Department of Planning, Monitoring and Evaluation, and other key role players, and will help standardise reporting on key municipal performance information and compliance measures on a regular basis.

The CWP Implementation Policy has undergone a review to address current challenges. This revised Policy presents an overview of key requirements that will make CWP succeed. It also recommends an alternative operating model of delivery. The reviewed CWP Policy was consulted with all relevant stakeholders, with a final round of consultations held with organised labour in February 2025, whereafter the Policy will be submitted for the Minister's approval.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Medium-Term Strategic Framework (MTSF) 2019-2024 Progress

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
Priority 1: A capable, ethical and developmental state						
Functional intergovernmental governance systems	Legislation reviewed	Existing legislation developed and administered by the Department, and other sectoral Departments.	All legislation reviewed and aligned.	The Draft IGRFA Amendment Bill was gazetted for public comments by 31 March 2025.	In respect to the IGRFA, the target was not achieved. The reason was that both CoGTA Minister and MECs, prior to the 2024 national elections, agreed to have extended IGR consultations on the proposed amendments due to the future importance of the Act in properly addressing the recommendations from the NDP on improving IGR in the country. There was also a delay in announcing the 2024 national elections results, something that affected time frames in obtaining Cabinet approval to formally publish the draft IGRF Amendment Bill for public comment as required by legislation.	The draft Amendment Bill and the draft SEIAS will be updated, submitted to Cabinet, and subsequently processed through Parliamentary structures during the 2025/26 financial year.
				The Local Government: General Laws Amendment Bill was submitted to the Technical Working Group of Cabinet Committee by 31 March 2025.	N/A	N/A

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
				Draft disaster risk management framework was approved by Minister for Public Comment. The Minister approved gazetting the draft framework for public comments, however, the process was suspended.	The process of reviewing the Disaster Risk Management Framework was suspended in view of the unfolding process of reviewing and overhauling the disaster management system of the country, as mandated by Cabinet. Preliminary findings point to a need to review disaster management legislation, which will inherently influence the policy framework and thus nullify the current review of the Disaster Management Framework.	The Department will undertake a review of the Disaster Risk Management Framework, subsequent to the review and overhaul of the disaster management system.
	IGR structures aligned to DDM approach	IGR Structures not aligned to DDM approach.	IGR Structures in place and functioning.	The IGR structures are in place in all 9 provinces, with 50 out of 52 political IGR committees and 50 out of 52 technical IGR committees in place. At the end of the reporting period, it was only the cities of Cape Town and Tshwane that had not established DDM technical and political structures due to their refusal to participate in any DDM-related activities. The City of Cape Town's refusal was expressed in the declaration of a formal IGR dispute with the CoGTA Minister in January 2025. Functionality remains a challenge. However, provinces have started aligning the functioning of the structures with the requirements of the May 2024 DDM regulations.	The Cities of Cape Town and Tshwane have not established DDM technical and political structures, as they have opted not to participate in DDM-related activities.	The May 2024 DDM Regulations now provide a legal basis for ensuring that all IGR structures are put in place and are functioning. The Department henceforth is using the DDM Regulations to provide guidance and assistance where functionality of the DDM IGR structures is not in accordance with the DDM Regulations.

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
				DDM Technical and Political structures are convened on a monthly and quarterly basis in provinces to monitor progress on the implementation of DDM catalytic projects. Where there are challenges, the teams escalate the matters to the principals to unlock blockages.		
Financially viable municipalities	Reduction in percentage of financially distressed municipalities.	68% (175 of the 257 municipalities) are deemed to be in financial distress.	30%	According to the State of Local Government Finances and Financial Management Report, as of 30 June 2023, the number of municipalities in distress is 65% or 168 of the 257 municipalities.	Several councils adopted unfunded budgets despite advice from national, provincial treasuries, and the Department. In addition to a constrained economic environment, the AGSA has cited poorly managed local government finances as a leading contributor to the deteriorating state of affairs, resulting in distress.	An Inter-Ministerial Committee (IMC) was established to oversee various activities towards the implementation of the Municipal Performance Turnaround Plans (MPTP) for distressed municipalities, which proposes interventions in the short, medium and long term. The programme now has 38 municipalities participating. In addition to the work of the Municipal Financial Recovery Services of the National Treasury, other programmes include the Eskom Debt Relief and Water Debt Relief programmes, aimed at providing relief to municipalities, whilst also improving governance. DCoG provides support to some municipalities participating in these programmes.

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
Sustained Good Municipal Governance	Reduction in the percentage of municipalities that are dysfunctional or at high risk.	67.3% (173 of the 257 municipalities) are deemed to be at high risk or dysfunctional	30%	• 10% of municipalities (10% of 257) were supported through MSIP to move from dysfunctional to at risk or stable in terms of the SoLG. • There was a reduction in dysfunctional or distressed municipalities. • Dysfunctional municipalities decreased from 66 (25,7% of 257) in 2022 to 35 (13,2% of 257) in 2023. • The number of stable municipalities increased from 30 (11,7%) to 61 (23.7%), at-risk municipalities (low-risk and medium-risk combined since 2022 assessment) decreased from 161 (62,7%) to 160 (62,3%). • Therefore, there has been an overall reduction in municipalities that are distressed or at high risk. The 2023/24 municipal assessment indicates the following: • Stable municipalities increased from 30 to 61. • At-risk municipalities remained stagnant at 161. • Distressed municipalities reduced from 66 to 35.	N/A	N/A

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
Efficient and effective internal corporate governance systems and processes	Percentage implementation of corporate services and financial management improvement plans	90%	90%	90% of the planned CSIP targets were implemented at the end of the 2024/25 financial year.	N/A	N/A
		90%	90%	72,12% implementation of the Financial Management Improvement Plan (FMIP) at the end of the 2024/25 financial year.	• The inability to meet this target is primarily due to several factors, including a shortfall in procurement targets, uncleared suspense accounts, and unmet targets related to irregular, fruitless, and wasteful expenditures as outlined in the FMIP. The shortfall in meeting procurement targets was due to the lack of defined processes within the Department for allocating procurement spending to designated groups during contract awards. • Delays in the investigation of potential losses. • Delays in the arbitration process for a former implementing agent.	• A draft Preferential Procurement Policy has been developed to direct procurement awards to previously disadvantaged individuals. • The process of write-offs will be considered during the year, rather than being postponed until the end of the financial year.
Priority 1: A capable, ethical and developmental state and Priority 6: Social cohesion and safe communities						
Citizens engaged and participating in Government	Number of Departmental projects that directly engage citizens	1 per year	3 per year	A total of 15 izimbizo were held during the MTSF period. Presidential DDM Izimbizo are an outreach program initiated in 2022 by the President, which is centred around the principles and objectives of the DDM to measure government's responses to community expectations and challenges.	N/A	N/A

Outcome	Outcome Indicator	2019/20 Baseline	5-Year Target	Actual Achievement as at 31 March 2025	Reason for Deviation	Corrective action to be taken in the next planning Cycle
Priority 1: A capable, ethical and developmental state and Priority 5: Spatial integration, human settlements and local government						
Basic services delivered to all citizens in an effective and efficient manner	Percentage of population with access to basic services (water, sanitation, electricity)	Water: 89% Sanitation: 83% Electricity: 90%	• Water: 95% • Sanitation: 95% • Electricity: 95%	• In 2024, 87.7% of households had access to an improved water source, according to the 2024 General Household Survey conducted by Stats SA. • According to Statistics South Africa, 83.1% of households nationwide had access to improved sanitation facilities in 2024. • Stats SA states that in 2024, 90.2% of South African households had access to the mains electricity supply.	The Department plays a secondary role in the attainment of these targets.	In the next planning cycle, the Department will take on a supporting role in meeting these targets.

On 18 July 2024, during the Opening of Parliament, President Cyril Ramaphosa outlined the strategic priorities for the 7th Administration. These priorities were further detailed in the approved Medium-Term Development Plan issued by the Department of Planning, Monitoring and Evaluation on 31 March 2025.

During the 2024/25 financial year, the Department developed outcome indicators aimed at supporting the implementation of the strategic priorities of the 7th Administration throughout the new planning cycle. Several indicators related to these strategic priorities have already been incorporated into the departmental plans. The Department has continued to provide updates on these indicators throughout the reporting period. The table below presents the progress made on these MTDP-related outcome indicators as of the end of March 2025.

Medium Term Development Plan Progress

Outcomes	Outcome indicators	Baseline	Five-year target	Progress as at the end of March 2025
MTDP Strategic Priority 1: Inclusive economic growth and job creation				
Increased employment opportunities	1. Increased access to employment opportunities.	238 726	300 000	251 865
MTDP Strategic Priority 2: Reduce poverty and tackle the high cost of living				
Basic services delivered to all citizens in an effective and efficient manner	2. Increased access to subsidised basic services for indigent households.	New Indicator	234 municipalities with credible indigent policies	A total of 12 municipalities have so far been supported with the assessments of municipal indigent policies for alignment with the Framework on Municipal Indigent registers. Letters communicating findings and recommendations were disseminated to the respective municipalities for their implementation to enhance the credibility of their municipal indigent policies.
MTDP Strategic Priority 3: Build a capable, ethical and developmental state				
Sustained good municipal governance	3. Functional local government that focuses on development.	Discussion documents on the review of the White Paper.	Policy commitments outlined in the updated White Paper fully implemented.	Discussion document on the review of the White Paper on Local Government was developed by 31 March 2025.
	4. Professionalisation of local government.	New Indicator	100% appointment of municipal managers that meet the legislated qualifications, experience, and integrity standards.	100% of the reports received for appointed municipal senior managers were analysed and recommendations were made to the MEC by 31 March 2025.
	5. Improved municipal performance.	New Indicator	30% reduction in skills gaps in local government.	The progress associated with this target will be reported during the 2025/26 financial year.
Efficient and effective internal corporate governance systems and processes	6. Unqualified audit opinion	The Department received an unqualified audit opinion with findings in the 2023/24 financial year.	Unqualified audit opinion with no matter of emphasis	The Department obtained an unqualified audit opinion at the end of July 2024.

Outcomes	Outcome indicators	Baseline	Five-year target	Progress as at the end of March 2025
Basic services delivered to all citizens in an effective and efficient manner	7. Improved service delivery in municipalities.	24% of municipalities classified as stable in 2023/24 as per the SoLG 2023/24.	50% of municipalities that are financially stable.	The Department identified (a) the failure by some municipalities (14 of 38) to put in place the Municipal Support and Improvement Plans, and (b) the failure by municipalities to report regularly on the implementation of Financial Recovery plans. (c) Lastly, the failure by some provinces, particularly Free State and Northern Cape (11 of the 14 outstanding MSIPs are in these two provinces), to provide the necessary support to these municipalities.
	8. Improved service delivery in metros.	New indicator	100% metros that are financially stable.	Presidential Working Groups for eThekwini and the City of Johannesburg Metros have been established with seven workstreams each. Workstream One, co-chaired by DCoG, focuses on stabilising the finances in the two metros, amongst others.
Sustained good municipal governance	9. Improved capability for disaster management	New Indicator	14% of municipalities meet the standards set in the functionality assessment of the reviewed disaster management system for improved capabilities for disaster management occurrences	Progress on this targets will be reported once the Disaster Management System is reviewed and overhauled.
Basic services delivered to all citizens in an effective and efficient manner	10.Increased capital expenditure in municipalities	New Indicator	15% of municipalities with capital expenditure of more than 10% of their total expenditure.	DCoG has supported 5 Intermediate City Municipalities with the development of Capital Expenditure Frameworks as a mechanism to institutionalise long-term planning and align infrastructure planning and budgeting processes in municipalities.
	11.Reduction in percentage of rural municipalities that do not meet the distance to service delivery points standard	New Indicator	20% reduction in the number of rural municipalities that do not meet the distance to service delivery points standard.	The process to develop the Terms of Reference to appoint a service provider that will conduct a study on service delivery points baseline during the 2025-26 financial year is underway.
Functional intergovernmental governance systems	12.Enhanced service delivery and economic development at the district level.	New Indicator	100% of Districts achieving 80% of One Plans.	The assessment of the second-generation One Plans was undertaken by the Department in the 2024/25 financial year to ensure quality and improved implementation.

Outcomes	Outcome indicators	Baseline	Five-year target	Progress as at the end of March 2025
	13.Increased empowerment of women, youth and persons with disabilities.	• 21% of IDPs partially responsive • 12% of DDM One Plans are above 50% responsiveness in term of mainstreaming gender, women, youth and people with disabilities.	• 50% IDPs that are WYPD responsive. • 50% One Plans that are WYPD responsive.	The Department has not yet started reviewing the One Plans for WYPD responsiveness. The target relating to DDM One Plans that are WYPD responsive will be implemented in the 2025/26 financial year. The Department will start reporting on the IDPs that are WYPD responsive in the 2026/27 financial year because of the overlaps in the financial years of municipalities and national departments.
	14.Enhanced ability to monitor the MTDP priorities.	New Indicator	• 80% of MINMEC meeting agendas focusing on the MTDP priorities. • 80% of IMC meeting agendas focusing on the MTDP priorities.	This is a new target. Progress related to this target will be reported in the 2025/26 financial year.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Programme purpose: Provide strategic leadership, management, and support services to the Department.	
Sub-Programme	**Sub-Programme Purpose**
Ministry	Provides administrative and logistical support to the Minister, Deputy Minister, and their support staff.
Management	Provides the vision, policy, leadership, and strategic direction of the Department and upholds and promotes administrative and executive support to the Director General, Corporate Planning, Monitoring and Evaluation, and International Relations.
Internal Audit and Risk Management	Render internal audit and enterprise risk management and fraud prevention services to the Department.
Corporate Services	Provides organisational support comprising human resources, legal services, communications, information technology facilities, and security management grounded on transformation policy and coordination to enable the Department to achieve its strategic objective.
Financial Services	Provide efficient, effective, and economical daily financial and supply chain management operations, processes, systems, and support services.
Office Accommodation	Makes payments for rental charges on all leased office space occupied by the Department, and for municipal services such as electricity, water, sewage, and waste removal.

PROGRAMME 1: ADMINISTRATION

Table 4.1.1: Originally tabled Annual Performance Plan until the date of re-tabling.

Programme 1: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
Efficient and effective internal corporate governance systems	Corporate Services Improvement Plan (CSIP) implemented to improve performance	1.1 Percentage implementation of approved CSIP to improve performance	**Achieved** 98% implementation of CSIP was approved by 31 March 2023.	**Achieved** 94,53% implementation of approved CSIP by 31 March 2024.	100% implementation of approved CSIP by 31 March 2025	**Not Achieved** 0% implementation of approved CSIP by 30 September 2024. **Note:** Progress towards the annual target is measured against the Programme's final actual achievement, which is recorded in the fourth quarter because this is a non-cumulative target. As a result, the deviation from the planned annual target of 100% cannot be measured against the actual achievement of 80% reported by the Programme at the end of September 2024.	The Programme underachieved its annual target by 100% at the end of September 2024.	The planned annual target of 100% was not yet due for reporting at the end of the second quarter of the 2024/25 financial year.	The Programme revised its annual target to ensure that it is clearly defined.

Programme 1: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
	Unqualified audit opinion	1.2 Unqualified audit opinion	The Department received a qualified audit opinion.	During the 2023/24 financial year, this target was reported under the indicator titled percentage implementation of approved Financial Management Improvement Plan (FMIP). In the plan, the Department aimed to achieve an unqualified audit opinion with no material findings	Unqualified Audit opinion by 31 July 2024	**Achieved** Unqualified Audit opinion by 31 July 2024.	N/A	N/A	N/A
	Procurement spent on entities owned by women, youth and persons with disabilities	1.3 Percentage procurement spent on entities owned by women	New Indicator	**Achieved** Achieved 46.83% in terms of procurement spend on entities owned by women.	40% procurement spent on entities owned by women by 31 March 2025	**Not Achieved** 15.34% of procurement was spent on entities owned by women by 30 September 2024.	The Programme underachieved its planned annual target by 24.66% at the end of September 2024.	The planned annual target of 40% was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.1.2.	N/A

Programme 1: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
		1.4 Percentage procurement spent on entities owned by youth	New Indicator	**Achieved** The percentage achieved in relation to entities owned by youth is 32.54%.	30% procurement spent on entities owned by youth by 31 March 2025	**Not Achieved** 10.29% of procurement was spent on entities owned by youth by 30 September 2024.	The Programme underachieved its planned target by 19.71% at the end of September 2024.	The planned annual target of 30% was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.1.2.	N/A
		1.5 Percentage procurement spent on entities owned by persons with disabilities	New Indicator	**Achieved** The percentage achieved in relation to entities owned by persons with disabilities is 10.32%.	7% procurement spent on entities owned by persons with disabilities by 31 March 2025	**Not Achieved** 4.12% of procurement was spent on entities owned by persons with disabilities by 30 September 2024.	The Programme underachieved its planned annual target by 2.88% at the end of September 2024.	The planned annual target of 7% was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.1.2.	N/A

Programme 1: Administration									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
	Procurement spent on entities who are Level 1 B-BBEE Contributors	1.6 Percentage procurement spent on entities who are Level 1 B-BBEE contributors	New indicator	New indicator	80% procurement spent on entities who are Level 1 B-BBEE contributors by 31 March 2025	**Not Achieved** 0% procurement spent on entities that are Level 1 B-BBEE contributors by 30 September 2024. **Note:** Progress towards the annual target is measured against the Programme's final actual achievement, which is recorded in the fourth quarter because this is a non-cumulative target. Therefore, the deviation from the planned annual target of 80% cannot be measured against the actual achievement of 65% reported by the Programme at the end of September 2024.	The Programme underachieved its planned target by 80% at the end of September 2024.	The planned annual target of 80% was not yet due for reporting at the end of the second quarter of the 2024/25 financial year.	This indicator was removed from the 2024/25 Annual Performance Plan because the target was not aligned with the applicable procurement legislation (Preferential Procurement Regulations, 2022), and provision for the target was only made in the Preferential Procurement Regulations, 2017, which was repealed. Currently, B-BBEE compliance is achieved through the special procurement target.

**The outcome linked to the outputs in the table above has been revised to "efficient and effective internal corporate governance systems and processes" to ensure that it aligns with the approved outcome in the departmental Strategic Plan.*

**The due date for the annual target on indicator 1.2 above was recorded as July 2025 in the originally tabled 2024/25 APP rather than July 2024. Upon consulting with AGSA, this error was also rectified in the 2025/26 Annual Performance Plan.*

Table 4.1.2: Report against the re-tabled Annual Performance Plan.

Programme 1: Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Efficient and effective internal corporate governance systems and processes	Corporate Services Improvement Plan (CSIP) implemented to improve performance	1.1 Percentage implementation of approved CSIP to improve performance	**Achieved** 98% implementation of CSIP was approved by 31 March 2023.	**Achieved** 94,53% implementation of approved CSIP by 31 March 2024.	100% implementation of the planned CSIP targets by 31 March 2025	**Not Achieved** 90% of the planned CSIP targets were implemented by 31 March 2025.	The Programme underachieved its planned target by 10% at the end of March 2025.	Delays in finalising the macro structure.
	Unqualified Audit opinion	1.2 Unqualified audit opinion	The Department received a qualified audit opinion.	During the 2023/24 financial year, this target was reported under the indicator titled percentage implementation of approved Financial Management Improvement Plan (FMIP). In the plan, the Department aimed to achieve an unqualified audit opinion with no material findings.	Unqualified audit opinion by 31 July 2024	**Achieved** Unqualified audit opinion by 31 July 2024.	N/A	N/A
	Procurement spent on entities owned by women, youth and persons with disabilities	1.3 Percentage procurement spent on entities owned by women	New Indicator	**Achieved** Achieved 46.83% in terms of procurement spend on entities owned by women.	40% procurement spent on entities owned by women by 31 March 2025	**Not Achieved** 23,27% procurement spent on entities owned by women by 31 March 2025.	The Programme underachieved its planned target by 16.73% at the end of March 2025.	The target is dependent on the outcome of the bidders having responded, and payments effected on the contracts awarded.
		1.4 Percentage procurement spent on entities owned by youth	New Indicator	**Achieved** The percentage achieved in relation to entities owned by youth is 32.54%.	30% procurement spent on entities owned by youth by 31 March 2025	**Not Achieved** 21,92% procurement spent on entities owned by youth by 31 March 2025.	The Programme underachieved its planned target by 8.08% at the end of March 2025.	The target is dependent on the outcome of the bidders having responded, and payments effected on the contracts awarded.

Programme 1: Administration								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
		1.5 Percentage procurement spent on entities owned by persons with disabilities	New Indicator	**Achieved** The percentage achieved in relation to entities owned by persons with disabilities is 10.32%.	7% procurement spent on entities owned by persons with disabilities by 31 March 2025	**Not Achieved** 1,20% procurement spent on entities owned by persons with disabilities by 31 March 2025.	The Programme underachieved its planned target by 5,80% at the end of March 2025.	The company which was 100% owned by people with disabilities changed ownership in September 2024.

**The due date for the annual target on indicator 1.2 above was recorded as July 2025 in the Addendum to the 2024/25 APP rather than July 2024. Upon consulting with AGSA, this error was also rectified in the 2025/26 Annual Performance Plan.*

Linking performance with budgets

Sub-Programme Expenditure

Programme 1: Administration	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Ministry	41 550	41 545	5	32 792	32 592	200
Management	30 407	30 386	21	27 223	27 217	6
Corporate Services	173 086	150 811	22 275	167 217	166 734	483
Financial Services	56 892	56 870	22	55 889	55 888	1
Internal Audit and Risk Management	10 716	10 715	1	11 709	11 125	584
Office Accommodation	72 205	72 205	-	70 109	70 011	98
Total	**384 856**	**362 532**	**22 324**	**364 939**	**363 567**	**1 372**

Strategy to overcome areas of underperformance

Outcome	Output	Output Indicator	Reasons for deviations	Action Plan
Programme 1: Administration				
Efficient and effective internal corporate governance systems and processes	Corporate Services Improvement Plan (CSIP) implemented to improve performance.	1.1 Percentage implementation of approved CSIP to improve performance.	Delays in finalising the macro structure.	The macro structure has since been finalised and submitted to the Minister for consideration.
	Procurement spent on entities owned by women, youth and persons with disabilities.	1.3 Percentage procurement spent on entities owned by women.	The target is dependent on the outcome of the bidders having responded, and payments being effected on the contracts awarded.	The target has been reviewed for the 2025/26 financial year, and it will be based on the amount awarded. In addition, SCM is in the process of developing the Procurement Framework aimed at targeting designated groups.
		1.4 Percentage procurement spent on entities owned by youth.	The target is dependent on the outcome of the bidders having responded, and payments being effected on the contracts awarded.	The target has been reviewed for the 2025/26 financial year and will be based on the amount awarded. In addition, SCM is in the process of developing the Procurement Framework aimed at targeting designated groups.
		1.5 Percentage procurement spent on entities owned by persons with disabilities.	The company, which was 100% owned by people with disabilities, changed ownership in September 2024.	The target has been reviewed for the 2025/26 financial year, and it will be based on the amount awarded. In addition, SCM is in the process of developing the Procurement Framework aimed at targeting designated groups.

4.2 Programme 2: Local Government Operations and Support

Programme purpose: To facilitate and coordinate intergovernmental relations to support the development, implementation and monitoring of integrated plans and capacity building programmes.	
Sub-Programme	**Sub-Programme Purpose**
Management: Local Government Operations and Support	Provides strategic leadership to the Programme to ensure compliance and the achievement of departmental targets in line with the District Development Model.
Municipal and Provincial governance support and capacity building	Oversee improved service delivery through the development, implementation and monitoring of integrated plans, and Section 154 support plans for each of the nine provinces.
Municipal infrastructure Grant	Municipal Infrastructure Grant (schedule 5B) makes transfers to supplement the capital budgets of municipalities to address the infrastructure investment priorities to provide at least basic services to poor households. Municipal Infrastructure Grant (schedule 6B) is implemented on behalf of municipalities in key service delivery areas driven by the perennial poor performance of some municipalities.
Integrated Urban Development Grant	A grant is transferred to intermediate city municipalities to supplement their capital budgets for the implementation of the objectives of the Integrated Urban Development Framework.
Municipal Infrastructure Support Agent	A transfer to MISA to assist municipalities in building in-house capacity and providing technical support for the sustained development of municipal infrastructure.

Table 4.2.1: Originally tabled Annual Performance Plan until date of re-tabling.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Functional inter-governmental governance systems	DDM Insti-tutionalised across all spheres of government	2.1 IGRFA Amendment Bill submitted to Parliament	New indicator	**Not Achieved** IGRFA amendment bill presented at GSCID cluster committee of DGs. Updated draft amendment bill, following the legal opinion from OCSLA on 01 March 2024 and the conclusion of intergovernmental dialogues and consultations.	IGRFA Amendment Bill submitted to Parliament by 31 March 2025	**Not Achieved** IGRFA Amendment Bill was not submitted to Parliament by 30 September 2024.	IGRFA Amendment Bill was not submitted to Parliament at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
		2.2 Number of districts/ metros that have implemented at least one DDM catalytic project from the approved DDM One Plan	New indicator	**Not Achieved** 11 districts/metros were supported to implement at least one DDM catalytic project from the approved DDM One Plan by 31 March 2024.	30 Districts/ metros that have implemented at least one DDM catalytic project by 31 March 2025	**Not Achieved** 20 districts/ metros implemented at least One DDM Catalytic Project by 30 September 2024	The Programme underachieved its annual target by 10 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Sustained Good Municipal Governance	Functional municipalities	2.3 Number of municipalities where MSIP has been implemented to improve performance status in terms of the SoLG Assessment Report.	New indicator	**Achieved** The number of municipalities that moved from dysfunctional to at risk or stable is 46 out of 66, translating to 70% by 31 March 2024. The State of Local Government Report 2023 was approved by the DDG by 31 March 2024.	44 municipalities where MSIP has been implemented to improve performance status in terms of the SoLG assessment report by 31 March 2025	**Not Achieved** 29 municipalities implemented MSIPs to improve the performance status in terms of the SoLG assessment report by 30 September 2024.	The Programme underachieved its annual target by 15 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year.The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Basic services delivered to all citizens in an effective and efficient manner	Municipal Infrastructure	2.4 Percentage of MIG receiving municipalities spending at least 60% of 2024/25 MIG allocations	New indicator	**Not Achieved** 69% of MIG receiving municipalities spending at least 60% of the 2023/24 MIG allocations by 31 March 2024.	75% of MIG receiving municipalities spending at least 60% of 2024/25 MIG allocations by 31 March 2025	**Not Achieved** 79% of MIG-receiving municipalities had spent at least 10% of 2024/25 MIG allocations by 30 September 2024. **Note:** The first quarter target reflects the spending of the MIG allocation for the 2023/24 FY. The recorded achievement is as follows: 87% of MIG-receiving municipalities had spent at least 85% of 2023/24 MIG allocations by 30 June 2024.	The Programme reported a 4% positive deviation for municipalities receiving MIG and a 50% negative deviation for those that spent their 2024/25 MIG allocations at the end of September 2024.	In terms of the overachievement reported for the percentage of municipalities receiving MIG, the Department has no control over this target. When it comes to the second performance measure concerning MIG allocation, the planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	N/A

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
		2.5 Percentage of distressed Water Services Authority (WSA) municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment	New indicator	**Not Achieved** 20% MIG-receiving dysfunctional municipalities spending up to 8% of MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2024.	50% of distressed WSA municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025	**Not Achieved** 7% of distressed WSA municipalities had spent at least 4% of the 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 30 September 2024. **Note:** The first quarter target reflects the spending of the MIG allocation for the 2023/24 FY. The recorded achievement is as follows: 24% of distressed WSA municipalities had spent at least 10% of 2023/24 MIG allocations on water services infrastructure repairs and refurbishment by 30 June 2024.	The Programme reported a 43% negative deviation for distressed WSA municipalities receiving MIG and a 6% negative deviation for those that spent their 2024/25 MIG allocations on water services infrastructure repairs and refurbishment at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2.	N/A

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
		2.6 Percentage of converted MIG funding spent on projects at Uthukela District Municipality (DM) and Emfuleni Local Municipality (LM)	New indicator	New indicator	90% of converted MIG funding spent on projects at Uthukela DM and Emfuleni LM by 31 March 2025	**Not Achieved** 20% of converted MIG funding was spent on projects at Uthukela DM and Emfuleni LM by 30 September 2024.	The Programme underachieved its annual target by 70% at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The indicator was revised to exclude the names of the municipalities, given that the targeted municipalities are likely to change over time. Furthermore, the change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Priority municipalities capacitated to implement DWS Blue-Drop	2.7 Number of priority municipalities that achieved DWS Blue-Drop targets	New indicator	New indicator	33 priority municipalities with achieved DWS Blue-Drop targets by 31 March 2025	**Not Achieved** None of the 33 priority municipalities achieved DWS Blue-Drop targets by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	The Department plays a secondary role in ensuring that DWS Blue-Drop targets are met. As a result, meeting the planned target in a short amount of time proved to be challenging.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Priority municipalities capacitated to implement DWS Green-Drop	2.8 Number of priority municipalities that achieved DWS Green-Drop targets	New indicator	New indicator	33 priority municipalities with achieved DWS Green- Drop targets by 31 March 2025	**Not Achieved** None of the 33 priority municipalities achieved DWS Green-Drop targets by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	The Department plays a secondary role in ensuring that DWS Green-Drop targets are met. As a result, meeting the planned target in a short amount of time proved to be challenging.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Water Services Authorities (WSAs) capacitated to manage water loss and non-revenue water (NRW)	2.9 Number of WSAs with achieved water losses & non-revenue water targets	New indicator	New indicator	33 WSAs with achieved water losses & non-revenue water targets by 31 March 2025	**Not Achieved** None of the 33 WSAs achieved water losses and non-revenue water targets by 30 September 2024	The Programme underachieved its annual target by 33 at the end of September 2024.	The Department plays a secondary role in ensuring that water losses and non-revenue water targets are met. As a result, meeting the planned target in a short amount of time proved to be challenging.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Priority municipalities capacitated to implement Integrated Waste Management Plans	2.10 Number of priority municipalities with achieved waste service delivery standard targets	New indicator	New indicator	33 priority municipalities with achieved waste service delivery standard targets by 31 March 2025	**Not Achieved** None of the 33 priority municipalities achieved waste service delivery standard targets by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	The target was not formulated correctly. Furthermore, the Department plays a secondary role in ensuring that the waste service delivery standard targets are implemented. As a result, meeting the planned target in a short amount of time proved to be challenging.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles. In order to allow the Programme to focus on identifying municipalities with directives from the Department of Forestry, Fisheries and the Environment (DFFE) and developing strategies, the indicator was also cascaded to the Annual Operational Plan.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Priority municipalities capacitated to implement Infrastructure Asset Management Plans (IAMPs)	2.11 Number of priority municipalities with achieved infrastructure asset management targets	New indicator	New indicator	33 priority municipalities with achieved infrastructure asset management targets by 31 March 2025	**Not Achieved** None of the 33 priority municipalities achieved infrastructure asset management targets by 30 September 2024	The Programme underachieved its annual target by 33 at the end of September 2024.	The Department plays a secondary role in ensuring that the infrastructure asset management targets are implemented. As a result, meeting the planned target in a short amount of time proved to be challenging.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Priority municipalities capacitated to implement Roads Infrastructure Strategic Framework in with the Rural Roads Asset Management Systems Grant (RRAMS)	2.12 Number of priority municipalities that have spent Rural Roads Asset Management Systems Grant	New indicator	New indicator	33 priority municipalities that have spent Rural Roads Asset Management Systems Grant by 31 March 2025	**Not Achieved** 16 priority municipalities have spent the Rural Road Asset Management Systems Grant by 30 September 2024.	The Programme underachieved its annual target by 17 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. Furthermore, the Department plays a secondary role in ensuring that municipalities spend their Rural Roads Asset Management Systems Grant. As a result, achieving the planned target proved to be challenging.	The function of road infrastructure is the mandate of the Provincial Departments of Transport (DoTs), and the monitoring and reporting on the Rural Roads Asset Management system grant is already being done by the relevant department and would result in a duplication of systems and resources. As a result, this indicator was removed from the revised 2024/25 Annual Performance Plan.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Priority municipalities improved on expenditure of the allocated funding during the MTEF MIG-MIS	2.13 Number of priority municipalities that have spent funding allocated during MTEF MIG-MIS	New indicator	New indicator	33 priority municipalities that have spent 100% of funding allocated during MTEF MIG-MIS by 31 March 2025	**Achieved** 44 priority municipalities have spent 100% of funding allocated during MTEF MIG-MIS by 30 September 2024.	The Programme overachieved its annual target by 11 at the end of September 2024.	The overachievement stems from the fact that the second quarter of 2024/25 marked the end of the financial year for municipalities.	This target is embedded in indicator 2.4, which specifies that "75% of MIG receiving municipalities spending at least 60% of 2024/25 MIG allocations by 31 March 2025". Thus, this indicator was removed from the revised 2024/25 to avoid duplication.
	Third-Party Wheeling Framework and Guidelines implemented in priority municipalities	2.14 Number of priority municipalities that have implemented Third-Party Wheeling Framework and Guidelines	New indicator	New indicator	33 priority municipalities that have achieved Third- Party Wheeling Framework and Guidelines targets by 31 March 2025	**Not Achieved** None of the 33 priority municipalities achieved Third Party Wheeling Framework and Guidelines targets by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	The achievement of Third-party Wheeling requires municipalities to adopt and implement the framework. This means that this process would extend far beyond the planning period.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Determined cost of supply, NERSA Application and Final Wheeling Tariff	2.15 Number of priority municipalities with determined cost of supply, NERSA Application & Final Wheeling Tariff	New indicator	New indicator	6 priority municipalities with determined cost of supply, NERSA Application and Final Wheeling Tariff by 31 March 2025	**Not Achieved** None of the 6 priority municipalities have determined the cost of supply, NERSA Application and Final Wheeling Tariff by 30 September 2024.	The Programme underachieved its annual target by 6 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Aligned with the outcomes of the NECOM WS9 – focusing on DX issues	2.16 Number of priority municipalities aligned with the outcomes of the NECOM WS9 focusing on DX issues.	New indicator	New indicator	33 priority municipalities aligned with the outcomes of the NECOM WS9 focusing on DX issues by 31 March 2025	**Not Achieved** None of the 33 priority municipalities were aligned with the outcomes of the NECOM WS9 focusing on DX issues by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	This output indicator was not sufficiently defined, making it challenging to measure progress.	A decision was taken not to revise this output indicator but rather to remove it from the revised 2024/25 Annual Performance Plan because it was already covered by the existing energy-related indicator.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Restored distribution network infrastructure in priority municipalities	2.17 Number of priority municipalities with restored distribution network infrastructure	New indicator	New indicator	33 priority municipalities with restored distribution network infrastructure by 31 March 2025	**Not Achieved** None of the 33 priority municipalities restored distribution network infrastructure by 30 September 2024.	The Programme underachieved its annual target by 33 at the end of September 2024.	This indicator was not attainable as it required substantial financial resources.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles. The indicator was also cascaded to the Annual Operational Plan given the substantial financial resources required to restore distribution network infrastructure in priority municipalities, as well as the fact that attaining this target would take a long time.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Functional inter-governmental governance systems	Implemen-tation of the approved stakeholder engagement and change management strategy.	2.18 Approved stakeholder engagement and change management strategy implemented.	New indicator	New indicator	50% implementation of the approved stakeholder engagement and change management strategy by 31 March 2025	**Achieved** 56% of the approved stakeholder engagement and change management strategy was implemented by 30 September 2024.	The Programme overachieved its annual target by 6% at the end of September 2024.	This target set was extremely modest because the Programme did not anticipate a positive response from provinces.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles. This indicator has been moved to the Annual Operational Plan since the implementation of the Stakeholder Engagement and Change Management Strategy is operational in nature.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Functional DDM political and technical committees in identified priority municipalities established	2.19 Number of priority districts and metros with functional DDM political and technical committees	New indicator	New indicator	30 priority districts and metros with functional DDM political and technical committees by 31 March 2025	**Not Achieved** 20 priority districts and metros with functional DDM political and technical committees by 30 September 2024.	The Programme underachieved its annual target by 10 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Key strategic partnerships for targeted project preparation, funding and implementation identified.	2.20 Number of key strategic partnerships finalised for targeted project preparation, funding and implementation.	New indicator	New indicator	2 strategic partnerships finalised for targeted project preparation, funding and implementation by 31 March 2025	**Not Achieved** 1 strategic partnership finalised for targeted project preparation, funding and implementation by 30 September 2024.	The Programme underachieved its annual target by 1 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 2: Local Government Operations and Support (LGOS)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Provide quality assurance for the submitted district and metro's One Plans.	2.21 Number of priority districts and metro's One Plans where quality assurance has been provided.	New indicator	New indicator	30 priority districts and metro's One Plans where quality assurance has been provided by 31 March 2025	**Not Achieved** Quality Assurance on One Plans was provided in 20 priority districts and metros by 30 September 2024.	The Programme underachieved its annual target by 10 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Implementation of MSIG-funded projects in DDM sites.	2.22 Number of priority municipalities that have implemented MSIG-funded projects in DDM sites.	New indicator	New indicator	9 priority Municipalities that have implemented MSIG-funded projects in DDM sites by 31 March 2025	**Not Achieved** None of the 9 priority municipalities implemented MSIG-funded projects in DDM sites by 30 September 2024.	The Programme underachieved its annual target by 9 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.2.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Table 4.2.2: Report against the re-tabled Annual Performance Plan.

Programme 2: Local Government Operations and Support (LGOS)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Functional inter-governmental governance systems	DDM institutionalised across all spheres of government	2.1 Draft IGRFA Amendment Bill gazetted for public comments	New Indicator	**Not Achieved** IGRFA amendment bill presented at GSCID cluster committee of DGs. Updated draft amendment bill, following the legal opinion from OCSLA on 01 March 2024 and the conclusion of intergovernmental dialogues and consultations.	Draft IGRFA Amendment Bill gazetted for public comments by 31 March 2025	**Achieved** Draft IGRFA Amendment Bill was gazetted for public comments by 31 March 2025.	N/A	N/A
		2.2 Number of districts/metros monitored to implement at least one DDM catalytic project from the approved DDM One Plan	New Indicator	**Not Achieved** 11 districts/metros were supported to implement at least one DDM catalytic project from the approved DDM One Plan by 31 March 2024.	30 Districts/ metros monitored to implement at least one DDM catalytic project from the approved DDM One Plan by 31 March 2025.	**Achieved** 30 districts/ metros were monitored to implement at least one DDM catalytic project from the approved DDM One Plan by 31 March 2025.	N/A	N/A
Sustained good municipal governance	Functional municipalities	2.3 Number of municipalities supported to implement Municipal Support Improvement Plans (MSIPs) to improve performance	New Indicator	**Achieved** The number of municipalities that moved from dysfunctional to at risk or stable is 46 out of 66, translating to 70% by 31 March 2024. The State of Local Government Report 2023 was approved by the DDG by 31 March 2024.	44 municipalities supported to implement MSIPs to improve performance by 31 March 2025	**Achieved** 44 municipalities were supported to implement MSIPs to improve performance by 31 March 2025.	N/A	N/A

Programme 2: Local Government Operations and Support (LGOS)

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	**Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement	Reasons for deviations
Basic services delivered to all citizens in an effective and efficient manner	Municipal Infrastructure	2.4 Percentage of MIG-receiving municipalities spending at least 60% of 2024/25 MIG allocations	New Indicator	**Not Achieved** 69% of MIG receiving municipalities spending at least 60% of the 2023/24 MIG allocations by 31 March 2024.	75% of MIG-receiving municipalities spending at least 60% of 2024/25 MIG allocations by 31 March 2025.	**Achieved** 75,6% of MIG-receiving municipalities had spent at least 60% of 2024/25 MIG allocations by 31 March 2025.	The Programme reported a 0.6% positive deviation for municipalities receiving MIG, with no deviation recorded for those that spent their 2024/25 MIG allocations at the end of March 2025.	The Department does not have control over municipal spending.
		2.5 Percentage of distressed Water Services Authority (WSA) municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment	New Indicator	**Not Achieved** 20% MIG-receiving dysfunctional municipalities spending up to 8% of MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2024.	50% of distressed WSA municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025	**Not Achieved** 22% of distressed WSA municipalities receiving MIG had spent at least 10% of the 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025.	The Programme reported a 28% negative deviation for distressed WSA municipalities receiving MIG, with no deviation recorded for those that spent their 2024/25 MIG allocations on water services infrastructure repairs and refurbishment at the end of March 2025.	The 2024/25 MIG implementation plans of distressed WSA municipalities did not commit an adequate amount and value of repairs and refurbishment projects.
		2.6 Percentage of converted MIG funding spent on projects	New Indicator	New Indicator	90% of converted MIG funding spent on projects at Uthukela DM and Emfuleni LM by 31 March 2025	**Achieved** 99% of converted MIG funding was spent on projects at Uthukela DM and Emfuleni LM by 31 March 2025.	The Programme overachieved its target by 9% at the end of March 2025.	Both projects accelerated implementation in February and March 2025, which resulted in an overachievement of 9%.
	Priority municipalities capacitated to implement DWS Blue-Drop	2.7 Number of priority municipalities that have reviewed DWS Blue-Drop corrective action plans	New Indicator	New Indicator	22 priority municipalities that have reviewed DWS Blue-Drop corrective action plans by 31 March 2025	**Achieved** 22 priority municipalities with reviewed DWS Blue-Drop corrective action plans by 31 March 2025.	N/A	N/A

Programme 2: Local Government Operations and Support (LGOS)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Priority municipalities capacitated to implement DWS Green-Drop	2.8 Number of priority municipalities that have reviewed DWS Green-Drop corrective action plans	New Indicator	New Indicator	22 priority municipalities that have reviewed DWS Green-Drop corrective action plans by 31 March 2025	**Achieved** 22 priority municipalities with reviewed DWS Green-Drop corrective action plans by 31 March 2025.	N/A	N/A
	Water Services Authorities (WSAs) capacitated to manage water loss and non-revenue water (NRW)	2.9 Number of Water Services Authorities that have reviewed Department of Water and Sanitation (DWS) No Drop corrective action plans.	New Indicator	New Indicator	22 WSAs that have reviewed DWS No Drop corrective action plans by 31 March 2025	**Achieved** 22 WSAs with reviewed DWS No Drop corrective action plans by 31 March 2025.	N/A	N/A
	Priority municipalities capacitated to implement water and sanitation Infrastructure Asset Management Plans (IAMPs)	2.10 Number of priority municipalities that have reviewed water and sanitation infrastructure asset management plans	New Indicator	New Indicator	8 priority municipalities that have reviewed water and sanitation infrastructure asset management plans by 31 March 2025	**Achieved** 8 priority municipalities with reviewed water and sanitation Infrastructure Asset Management Plans by 31 March 2025.	N/A	N/A
	Third-Party Wheeling Framework and Guidelines implemented in priority municipalities	2.11 Number of priority municipalities that have developed action plans to implement Third-Party Wheeling Framework and Guidelines	New Indicator	New Indicator	33 priority municipalities that have developed action plans to implement Third-Party Wheeling Framework and Guidelines by 31 March 2025	**Achieved** 33 priority municipalities developed action plans to implement Third-Party Wheeling Framework and Guidelines by 31 March 2025.	N/A	N/A

Programme 2: Local Government Operations and Support (LGOS)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Determined cost of supply and NERSA Application	2.12 Number of priority municipalities with determined cost of supply and NERSA application	New Indicator	New Indicator	6 priority municipalities with determined cost of supply and NERSA application by 31 March 2025	**Achieved** 6 priority municipalities with determined cost of supply and NERSA application by 31 March 2025.	N/A	N/A
Functional inter-governmental governance systems	Key strategic partnerships for targeted project preparation, funding and implementation identified.	2.13 Number of key strategic partnerships finalised	New Indicator	New Indicator	2 key strategic partnerships finalised by 31 March 2025	**Achieved** 2 key strategic partnerships were finalised by 31 March 2025.	N/A	N/A
	Quality assurance for the submitted district and metro's One plans provided	2.14 Number of priority districts and metro's One Plans where quality assurance has been provided.	New Indicator	New Indicator	30 priority districts and metro's One plans where quality assurance has been provided by 31 March 2025	**Achieved** 30 priority districts and metro's One plans where quality assurance has been provided by 31 March 2025.	N/A	N/A
	MSIG-funded projects in DDM sites.	2.15 Number of priority municipalities that have implemented MSIG-funded projects in DDM sites.	New Indicator	New Indicator	3 priority municipalities that have implemented MSIG-funded projects in DDM sites by 31 March 2025	**Not Achieved** 1 priority municipality implemented MSIG-funded projects in DDM sites by 31 March 2025.	The Programme underachieved its target by 2 at the end of March 2025.	Ethekwini Metro and Waterberg District MoU SCM processes were finalised, but DCoG's Legal Contract Unit raised concerns regarding the signing of the SLA, and there were delays with the inception of the project.

Linking performance with budgets

Sub-Programme Expenditure

Programme 2: Intergovernmental Support	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management: Intergovernmental Support	26 140	25 375	765	20 420	19 608	812
Municipal and Provincial Governance Support and Capacity Building	66 851	66 601	250	80 525	80 525	-
Transfer: Municipal Infrastructure Grant	17 112 664	17 112 197	467	16 371 585	16 341 585	30 000
Transfer: Integrated Urban Development Grant	1 145 564	1 145 564	-	1 172 448	1 172 448	-
Transfer: Municipal Infrastructure Support Agent	406 679	406 679	-	401 454	401 454	-
Total	**18 757 898**	**18 756 416**	**1 482**	**18 046 432**	**18 015 620**	**30 812**

Strategy to overcome areas of underperformance

The table below provides an overview of the strategies to address areas of underperformance.

Outcome	Output	Output Indicator	Reasons for deviations	Action Plan
Programme 2: Local Government Operations and Support				
Basic services delivered to all citizens in an effective and efficient manner	Municipal Infrastructure	2.5 Percentage of distressed Water Services Authority (WSA) municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment.	The 2024/25 MIG implementation plans of distressed municipalities did not allocate sufficient funds for repairs and refurbishment projects.	The process to be facilitated with priority WSA MIG receiving municipalities to commit to repairs and refurbishment projects in their 2025/26 implementation plans.
Functional inter-governmental governance systems	MSIG-funded projects in DDM sites.	2.15 Number of priority municipalities that have implemented MSIG-funded projects in DDM sites.	Ethekwini Metro and Waterberg District MoU and SCM processes were finalised, but DCoG's Legal Contract Unit raised concerns regarding the signing of the SLA and there were delays with the inception of the project.	To finalise the SLAs between all parties concerned so that MSIG-funded projects in DDM can commence.

4.3 Programme 3: Policy Governance and Administration

Programme Purpose: To provide support and direction on the establishment and maintenance of efficient and effective municipal governance and administration policies and systems	
Sub-Programme	**Sub-Programme Purpose**
Management: Policy, Governance and Administration	To provide support and direction on the establishment and maintenance of efficient and effective municipal governance and administration policies and systems.
Municipal Administration and Capacity	Builds institutional capacity in municipalities through the provision of efficient, transparent and fair regulatory frameworks for local public administration and human resources, including monitoring and supporting the implementation of such frameworks. Determines the remuneration of councillors and senior managers in municipalities, monitors and enforces compliance with the Appointment Regulations, Municipal Performance Regulations, and Disciplinary Regulations for senior managers through competency assessment for senior managers, as well as roll out training and workshops on the implementation of the Municipal Staff Regulations.
Municipal Funding and Revenue Support	Provides support and monitors municipalities in the implementation of the free basic services policies including legislative reporting required in terms of the Division of Revenue Act in relation to the local government equitable share, and oversees the regulation of valuation and rating of properties in terms of the Municipal Property Rates Act (MPRA) inclusive of monitoring and supporting municipalities' implementation, as well as the oversight of provinces on their responsibilities not limited to monitor municipal tariff policy framework and the tariffs levied by municipalities in relation to tariff policies and by-laws.
Development Planning	Coordinates the implementation of the Integrated Urban Development Framework (IUDF) and National Framework for Local Economic Development to ensure institutionalisation of long-term infrastructure planning and asset management practices through Small Towns Regeneration Strategy and the Smart Cities Framework.
Municipal Demarcation Board	A transfer to fund operational activities such as capacity assessments, ward delimitation, and boundary redeterminations. This entity's budget is transferred in full to the Board.
South African Cities Network	Develops and implements an integrated monitoring and reporting system for local government and also facilitates and supports the management and analysis of data and information and conducts research and evaluation to enhance policy-making and support programmes.
Municipal Governance	Ensures appropriate division of powers and functions between local and district municipalities, and the delegation of powers and functions to provinces and municipalities through the development of legislation that deals with interventions in provincial government and in municipalities, which includes the promotion of ethics; implementing an anti-corruption strategy in directing and supporting municipal governance policy development and implementation, in collaboration with law enforcement agencies in confronting corruption and maladministration and malfeasance in municipalities.
Knowledge Management, Monitoring and Report Systems	Develops and implements an integrated monitoring and reporting system for local government and also facilitates and supports the management and analysis of data and information and conducts research and evaluation to enhance policy-making and support programmes.
South African Local Government Association	A transfer to fund operational activities in SALGA, including its participation in intergovernmental structures and legislatures.

Table 4.3.1: **Originally tabled Annual Performance Plan until date of re-tabling.**

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Financially Viable Municipalities	Revenue improvement recom-mendations proposed for imple-mentation by municipalities	3.1 Number of municipalities where revenue improvement recommendations are proposed for implementation by municipalities in the next financial year.	New Indicator	**Achieved** Revenue improvement recommendations have been proposed for implementation by 22 municipalities in the 2024/25 municipal financial year.	Revenue improvement recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025.	**Not Achieved** Revenue improvement recommendations proposed for implementation to 10 municipalities in the 2025/26 Financial year by 30 September 2024.	The Programme underachieved its annual target by 12 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	N/A
		3.2 Number of municipalities where credit control and debt collection recommendations are proposed for implementation by municipalities in the next financial year.	New Indicator	**Achieved** Credit control and debt collection recommendations have been proposed for implementation by 22 municipalities in the 2024/25 municipal financial year.	Credit control and debt collection recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025	**Not Achieved** Credit control and debt collection recommendations proposed for implementation to 10 municipalities in the 2025/26 financial year by 30 September 2024.	The Programme underachieved its annual target by 12 at the end of September 2024	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	N/A

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Sustained Good Municipal Governance	Local Government: General Laws Amendment	3.3 Development of Local Government: General Laws Amendment Bill and submitted to Technical Working Group of Cabinet Committee	New Indicator	**Achieved** Local Government: General Laws Amendment Bill submitted to Cabinet by 31 March 2024.	Local Government: General Laws Amendment Bill submitted to Technical Working Group of Cabinet Committee by 31 March 2025	**Not Achieved** Local Government: General Laws Amendment Bill was not submitted to the Technical Working Group of the Cabinet Committee by 30 September 2024.	Local Government: General Laws Amendment Bill was not submitted to the Technical Working Group of the Cabinet Committee at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	Adjustments were made to ensure that the output and output indicator are well defined, as the word Bill was missing in the description.
	Competent senior managers appointed in municipalities	3.4 Percentage of competent senior manager appointed in municipalities.	New Indicator	**Not Achieved** 3 quarterly reports on the number of received appointment reports for senior managers analysed and corrective actions recommended to the MEC developed by 31 March 2024.	100% of competent senior managers appointed and recommended to the MECs by 31 March 2025.	**Not Achieved** 0% of competent senior managers appointed and recommended to the MECs by 30 September 2024.	The Programme underachieved its annual target by 100% at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Recorded cases of financial misconduct, fraud and corruption cases on the database for dismissed municipal staff members.	3.5 Percentage of cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members.	New Indicator	**Achieved** 4 quarterly reports on reported cases of financial misconduct, fraud, and corruption recorded on the database for misconduct of staff members developed by 31 March 2024.	100% cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 31 March 2025.	**Not Achieved** 0% cases of misconduct, including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 30 September 2024.	The Programme underachieved its annual target by 100% at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Intergov-ernmental Monitoring, Support and Interventions (IMSI) Bill	3.6 Support provided to Parliament on the processing of the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	IMSI Bill was not submitted to Parliament by 31 March 2023	**Achieved** IMSI Bill submitted to Cabinet for approval to submit to Parliament by 31 March 2024.	Support provided to Parliament on the processing of the IMSI Bill by 31 March 2025.	**Not Achieved** Support was not provided to Parliament on the processing of the IMSI Bill by 30 September 2024.	Support was not provided to Parliament on the processing of the IMSI Bill at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	N/A

Programme 3: Policy Governance and Administration (PGA)

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025 until date of re-tabling	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators/Annual Targets
	Draft regulations for LG indicators (section 43 of MSA) developed to standardise municipal performance monitoring and reporting.	3.7 Draft regulations for LG indicators (section 43 of MSA) developed	New Indicator	New Indicator	Draft regulations for LG indicators (S43 of MSA) developed and consulted by 31 March 2025.	**Not Achieved** Draft regulations for LG indicators (S43 of MSA) were not developed by 31 March 2025. However, consultations were undertaken by 30 September 2024.	Draft regulations for LG indicators (S43 of MSA) were not developed at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Discussion document on the Review of the White Paper on Local Government, 1998	3.8 White Paper on Local Government, 1998 reviewed	New Indicator	New Indicator	Discussion document on the Review of the White Paper on Local Government, 1998 developed by 31 March 2025	**Not Achieved** Discussion document on the Review of the White Paper on Local Government, 1998 was not developed by 30 September 2024.	The discussion document on the Review of the White Paper on Local Government, 1998 was not developed at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	SDF improvement recommendations proposed for implementation by municipalities	3.9 Number of municipalities where improvement measures to enhance Spatial Development Framework (SDF) compliance with Spatial Planning and Land Use Management Act (SPLUMA) 16 of 2013 are recommended.	New Indicator	**Achieved** 30 Municipal SDFs assessed, and recommendations provided for SPLUMA compliance by 31 March 2024.	50 municipal SDFs assessed and recommendations provided for SPLUMA compliance by 31 March 2025.	**Not Achieved** 15 municipal SDFs were assessed and recommendations provided for SPLUMA compliance by 30 September 2024.	The Programme underachieved its annual target by 35 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.	N/A

Programme 3: Policy Governance and Administration (PGA)

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025 until date of re-tabling	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators/Annual Targets
	Capital Expenditure Frameworks (CEFs developed for intermediate city municipalities (ICMs)	3.10 Number of intermediate city municipalities (ICMs) with Capital Expenditure Frameworks (CEFs) aligned to the strategic objectives of the Integrated Urban Development Framework (IUDF)	New Indicator	**Not Achieved** No progress was made in terms CEFs that aligned to the strategic objectives of the IUDF by 31 March 2024	10 ICMs with final CEFs aligned to the strategic objectives of the IUDF by 31 March 2025.	**Not Achieved** 10 ICMs with final CEFs were not aligned to the strategic objectives of the IUDF by 30 September 2024.	The Programme underachieved its annual target by 10 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Action plans to address inefficient business processes.	3.11 Number of municipalities with action plans to address inefficient business processes.	New Indicator	New Indicator	3 municipalities with action plans to address inefficient business processes by 31 March 2025.	**Not Achieved** 3 municipalities were not provided with action plans to address inefficient business processes by 30 September 2024.	The Programme underachieved its annual target by 3 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	NA

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Plans for redesign and refurbishment into smart cities/ towns	3.12 Number of cities/ towns identified for redesign and refurbishment as smart cities/towns	Three existing towns not identified and plans for redesign and refurbishment as cities/ towns were not developed by 31 March 2023	New Indicator	Three existing cities/towns identified and plans for redesign and refurbishment into smart cities/towns developed by 31 March 2025	**Not Achieved** Three existing cities/towns were not identified and plans for redesign and refurbishment into smart cities/ towns were not developed by 30 September 2024.	The Programme underachieved its annual target by 3 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Citizens engaged and participating in Government	Report on 22 municipalities surveyed on citizen satisfaction with service delivery	3.13 Number of municipalities surveyed on citizen satisfaction with service delivery.	New Indicator	New Indicator	22 municipalities surveyed on citizen satisfaction by 31 March 2025	**Not Achieved** 22 municipalities were not surveyed on citizen satisfaction by 30 September 2024.	The Programme underachieved its annual target by 22 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Financially Viable Municipalities	Priority municipalities with credible and responsive recovery plan developed.	3.14 Number of priority municipalities with credible and responsive recovery plans developed	New Indicator	New Indicator	6 priority municipalities achieved 40% of short-term recovery plans targets by 31 March 2025	**Not Achieved** 4 of the priority municipalities achieved 28% of short-term financial management pillar recovery planned activities by 30 September 2024.	The Programme recorded a negative deviation of 2 in terms of the priority municipalities and a negative deviation of 12% for the achievement of the short-term financial management pillar recovery planned activities at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. Furthermore, considering that there are dependencies, the target was set excessively high and thus unrealistic.	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Unfunded budgets reduction action plan implemented.	3.15 Number of priority municipalities with reduced unfunded budgets	New Indicator	New Indicator	6 priority municipalities with recommendations made to reduce unfunded budgets by 31 March 2025	**Not Achieved** Recommendations were not made to reduce unfunded budgets in any of the 6 priority municipalities by 30 September 2024.	The Programme underachieved its annual target by 6 at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Audit action Plan implemented	3.16 Number of priority municipalities that have received positive AGSA audit opinion	New Indicator	New Indicator	6 priority municipalities that have achieved 50% audit action plan targets by 31 March 2025	**Not Achieved** None of the 6 priority municipalities achieved 50% of audit action plan targets by 30 September 2024.	The Programme reported a negative deviation of 6 for priority municipalities and a 50% negative deviation regarding the achievement of the audit action plan targets as of the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	The change in the political administration following the 2024 general elections necessitated that the 2024-2025 APP be revised and aligned to the priorities of the new administration. The revisions also had to take into account audit outcomes for the 2023-2024 Annual Report, which necessitated that the indicators be reviewed to ensure they meet the SMART principles.
	Eskom Debt Relief Programme implemented	3.17 Number of priority municipalities that have achieved Eskom Debt Relief action plan targets	New Indicator	New Indicator	6 priority municipalities that have achieved 60% of Eskom Debt Relief action plan targets by 31 March 2025	**Not Achieved** None of the 6 priority municipalities achieved 60% of Eskom Debt Relief action plan targets by 30 September 2024.	The Programme reported a negative deviation of 6 for priority municipalities and a 60% negative deviation regarding the achievement of the Eskom Debt Relief action plan targets by 30 September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.3.2	N/A

Table 4.3.2: Report against the re-tabled Annual Performance Plan

Programme 3: Policy Governance and Administration (PGA)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Financially viable municipalities	Revenue improvement recommendations proposed for implementation by municipalities	3.1 Number of municipalities where revenue improvement recommendations are proposed for implementation by municipalities in the next financial year.	New Indicator	**Achieved** Revenue improvement recommendations have been proposed for implementation by 22 municipalities in the 2024/25 municipal financial year.	Revenue improvement recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025	**Achieved** Revenue improvement recommendations were proposed for implementation in 22 municipalities by 31 March 2025.	N/A	N/A
		3.2 Number of municipalities where credit control and debt collection recommendations are proposed for implementation by municipalities in the next financial year.	New Indicator	**Achieved** Credit control and debt collection recommendations have been proposed for implementation by 22 municipalities in the 2024/25 municipal Financial year.	Credit control and debt collection recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025	**Achieved** Credit control and debt collection recommendations were proposed for implementation in 22 municipalities by 31 March 2025.	N/A	N/A
Sustained good municipal governance	Local Government: General Laws bill Amendment	3.3 Local Government: General Laws Amendment Bill submitted to Technical Working Group of Cabinet Committee	New Indicator	**Achieved** Local Government: General Laws Amendment Bill submitted to Cabinet by 31 March 2024.	Local Government: General Laws Amendment Bill submitted to Technical Working Group of Cabinet Committee by 31 March 2025	**Achieved** Local Government: General Laws Amendment Bill was submitted to Technical Working Group of Cabinet Committee by 31 March 2025.	N/A	N/A
	Competent senior managers appointed in municipalities	3.4 Percentage of received reports on the appointment of municipal senior managers analysed and recommendations made to the MEC	New Indicator	**Not Achieved** 3 quarterly reports on the number of received appointment reports for senior managers analysed and corrective actions recommended to the MEC developed by 31 March 2024.	100% of received reports for appointed municipal senior managers analysed and recommendations made to the MEC by 31 March 2025.	**Achieved** 100% of the reports received for appointed municipal senior managers were analysed and recommendations were made to the MEC by 31 March 2025.	N/A	N/A

Programme 3: Policy Governance and Administration (PGA)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Cases of financial misconduct, fraud and corruption recorded on the database for dismissed municipal staff members	3.5 Percentage of cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members.	New Indicator	**Achieved** 4 quarterly reports on reported cases of financial misconduct, fraud, and corruption recorded on the database for misconduct of staff members developed by 31 March 2024.	100% of cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 31 March 2025.	**Achieved** 100% of cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 31 March 2025.	N/A	N/A
	Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	3.6 Support provided to Parliament on the processing of the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	IMSI Bill was not submitted to Parliament by 31 March 2023	**Achieved** IMSI Bill submitted to Cabinet for approval to submit to Parliament by 31 March 2024.	Support provided to Parliament on the processing of the IMSI Bill by 31 March 2025.	**Not Achieved** Support was not provided to Parliament on the processing of the IMSI Bill by 31 March 2025.	Support was not provided to Parliament on the processing of the IMSI Bill at the end of March 2025.	In terms of parliamentary processes, the Department has not yet received any request for support.
	Draft regulations for Local Government (LG) indicators (section 43 of MSA) developed to standardise municipal performance monitoring and reporting.	3.7 Draft regulations for LG indicators (section 43 of MSA) developed	New Indicator	New Indicator	Draft regulations for LG indicators (S43 of MSA) developed and consulted by 31 March 2025.	**Achieved** Draft regulations for LG indicators (S43 of MSA were developed and consulted by 31 March 2025.	N/A	N/A
	Discussion document on the Review of the White Paper on Local Government, 1998	3.8 White Paper on Local Government reviewed	New Indicator	New Indicator	Discussion document on the Review of the White Paper on Local Government developed by 31 March 2025	**Achieved** Discussion document on the review of the White Paper on Local Government was developed by 31 March 2025.	N/A	N/A

Programme 3: Policy Governance and Administration (PGA)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	SDF improvement recommendations proposed for implementation by municipalities	3.9 Number of municipalities where improvement measures to enhance Spatial Development Framework (SDF) compliance with Spatial Planning and Land Use Management Act (SPLUMA) 16 of 2013 are recommended.	New Indicator	**Achieved** 30 Municipal SDFs assessed, and recommendations provided for SPLUMA compliance by 31 March 2024.	50 municipal SDFs assessed and recommendations provided for SPLUMA compliance by 31 March 2025.	**Achieved** 50 municipal SDFs were assessed, and recommendations were provided for SPLUMA compliance by 31 March 2025.	N/A	N/A
Basic services delivered to all citizens in an effective and efficient manner	Capital Expenditure Frameworks (CEFs developed for intermediate city municipalities (ICMs)	3.10 Number of intermediate city municipalities (ICMs) with Capital Expenditure Frameworks (CEFs)	New Indicator	**Not Achieved** No progress was made in terms CEFs that aligned to the strategic objectives of the IUDF by 31 March 2024.	5 ICMs with final CEFs by 31 March 2025.	**Achieved** 5 ICMs with final CEFs by 31 March 2025.	N/A	N/A
	Action plans to address inefficient business processes.	3.11 Number of municipalities with action plans to address inefficient business processes.	New Indicator	New Indicator	3 municipalities with action plans to address inefficient business processes by 31 March 2025.	**Achieved** 3 municipalities with action plans to address inefficient business processes by 31 March 2025.	N/A	N/A
	Plans for redesign and refurbishment into smart cities/ towns	3.12 Number of cities/towns with plans for redesign and refurbishment into smart cities/ towns	Three existing towns not identified and plans for redesign and refurbishment as cities/ towns were not developed by 31 March 2023	New Indicator	3 finalized plans for redesign and refurbishment for the 3 identified cities/ towns by 31 March 2025.	**Achieved** 3 finalised plans for redesign and refurbishment for the 3 identified cities/ towns by 31 March 2025.	N/A	N/A

Programme 3: Policy Governance and Administration (PGA)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Financially viable municipalities	Priority municipalities with implemented credible and responsive financial management pillar recovery plan	3.13 Number of priority municipalities that have implemented short-term financial pillar recovery plan targets.	New Indicator	New Indicator	4 priority municipalities that have implemented an average of 40% of short-term financial management pillar recovery plan targets by 31 March 2025	**Achieved** 4 priority municipalities implemented an average of 40% of short-term financial management pillar recovery plan targets by 31 March 2025.	N/A	N/A
	Unfunded budgets reduction action plan implemented.	3.14 Number of priority municipalities with unfunded budgets that have implemented the Budget Funding Plan targets.	New Indicator	New Indicator	6 priority municipalities with unfunded budgets that have implemented an average of 40% of the Budget Funding Plan targets by 31 March 2025	**Achieved** 6 priority municipalities with unfunded budgets implemented an average of 43% of the Budget Funding Plan targets by 31 March 2025.	The Programme overachieved its target by an average of 3% in terms of the implementation of the Budget Funding Plan targets at the end of March 2025.	Additional efforts were made to implement the Budget Funding Plan targets.
	Audit action Plan implemented	3.15 Number of priority municipalities that have implemented audit action plan targets.	New Indicator	New Indicator	6 priority municipalities that have implemented 25% of audit action plan targets by 31 March 2025	**Not Achieved** 6 priority municipalities did not implement 25% of audit action plan targets by 31 March 2025.	The Programme reported a negative deviation of 6 for priority municipalities and a 25% negative deviation in the implementation of audit action plan targets at the end of March 2025.	The performance evidence was insufficient to prove that the audit action plan targets were implemented.

Programme 3: Policy Governance and Administration (PGA)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Eskom Debt Relief Programme implemented	3.16 Number of priority municipalities that have achieved Eskom Debt Relief action plan targets	New Indicator	New Indicator	6 priority municipalities that have achieved 60% of Eskom Debt Relief action plan targets by 31 March 2025	**Achieved** 6 priority municipalities achieved above 60% of Eskom Debt Relief action plan targets by 31 March 2025. The details are as follows: • Emfuleni Municipality: 78% • Enoch Mgijima Municipality: 85% • Govan Mbeki Municipality: 73% • Madibeng Municipality 80% • Makana Municipality 90% • Sol Plaatje Municipality 76%	The Programme overachieved its target at the end of March 2025. • Emfuleni Municipality: 18% • Enoch Mgijima Municipality: 25% • Govan Mbeki Municipality: 13% • Madibeng Municipality 20% • Makana Municipality 30% • Sol Plaatje Municipality 16%	There was an enhanced focus by the municipalities to comply with the conditions. Close monitoring and oversight by provincial treasuries also added a lot of value.

**The accurate description of the output for indicator 3.3 is Local Government: General Laws Amendment Bill, and this is correctly reflected in the 2025/26 Annual Performance Plan.*

Linking performance with budgets

Sub-Programme Expenditure

Programme 3: Intergovernmental Policy and Governance	2024/2025			2023/2024		
	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Management: Intergovernmental Policy and Governance	6 151	6 129	22	9 975	9 975	-
Municipal Administration and Capacity	16 311	15 121	1 190	15 456	15 242	214
Municipal Funding and Revenue Support	17 049	17 047	2	26 635	26 601	34
Development Planning	21 555	21 545	10	25 759	25 759	-
Municipal Governance	15 135	15 030	105	17 394	17 393	1
Research and Knowledge Management	20 993	20 979	14	17 610	17 516	94
Transfer: Municipal Demarcation Board	74 191	74 191	-	73 104	73 104	-
Transfer: South African Cities Network	8 664	8 664	-	8 538	8 538	-
Transfer: South African Local Government Association	36 949	36 949	-	36 408	36 408	-
Transfer: United Cities and Local Governments of Africa	-	-	-	8 001	-	8 001
Transfer: Local Government Equitable Share	101 177 734	99 503 727	1 674 007	95 188 741	92 261 856	2 926 885
Municipal Systems Improvement Grant	173 298	135 968	37 330	146 516	53 753	92 763
Total	**101 568 030**	**99 855 350**	**1 712 680**	**95 574 137**	**92 546 145**	**3 027 992**

Strategy to overcome areas of under performance

The table below provides an overview of the strategies to address areas of underperformance.

Outcome	Output	Output Indicator	Reasons for deviations	Action Plan
Programme 3: Policy Governance and Administration				
Sustained good municipal governance	Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	3.6 Support provided to Parliament on the processing of the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	In terms of parliamentary processes, the Department has not yet received any request for support.	To engage Parliament to ascertain when the legislative programme will commence.
Financially viable municipalities	Audit action Plan implemented	3.15 Number of priority municipalities that have implemented audit action plan targets.	There have been delays in resolving identified audit findings within the designated timeframe.	The Programme will constantly monitor the implementation of the post audit action plans in individual municipalities

4.4 Programme 4: National Disaster Management Centre

Programme Purpose: To promote an integrated and coordinated system of disaster management with special emphasis on prevention and mitigation by all role-players and stakeholders	
Sub-Programme	**Sub-Programme Purpose**
Management: National Disaster Management Centre	To promote an integrated and coordinated system of disaster management with special emphasis on prevention and mitigation by all role-players and stakeholders.
Disaster Policy, Institutional Development and Compliance	Manage and oversee the development of disaster management regulatory frameworks, the functioning of institutional structures, and the assessment of compliance with disaster management legislation.
Disaster Risk Reduction and Capacity Development	Facilitate the mainstreaming of disaster risk management (DRM) and disaster risk reduction (DRR) within development programmes and projects by stakeholders across all spheres of government. Key to this overarching objective is the facilitation of the development and implementation of disaster risk reduction (DRR) frameworks, disaster management plans, and criteria for the assessment of disaster management plans. Linked to this also is the promotion of education, training, and public awareness amongst role players and communities.
Disaster Preparedness, Response and Recovery Coordination	Coordinate and develop national disaster response and recovery strategies and plans. Develop and implement guidelines and templates for disaster damage assessments, classification, and declaration processes. Develop national seasonal contingency plans to ensure seasonal hazard preparedness, response, and recovery. Develop and implement Standard Operating Procedures (SOPs) for response and recovery management efforts/systems. Coordinate and activate the National Disaster Operations Centre during disaster response and recovery interventions. Coordinate and activate joint operation committees to respond to various hazards and disasters. Establish and implement mechanisms for funding disaster risk management. Develop and implement disaster funding guidelines and frameworks. Oversee and coordinate the implementation of reconstruction and rehabilitation projects that incorporate the "Build Back Better" principle. Coordinate the development and implementation of post-disaster review reports.
Municipal Disaster Recovery Grant	A Municipal Disaster Recovery Grant is a conditional allocation that aims to rehabilitate and reconstruct municipal infrastructure damaged by disasters. Transfers are made only when a disaster has been declared and all grant conditions met.
Disaster Response Grant	Municipal Disaster Response Grant is a conditional allocation aimed at urgent repairs for damaged municipal infrastructure as a result of disasters. Transfers are made only when a disaster has been declared, and all grant conditions are met by the organ of the state.

Table 4.4.1: Originally tabled Annual Performance Plan until the date of re-tabling.

Programme 4: National Disaster Management Centre (NDMC)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
Basic services delivered to all citizens in an effective and efficient manner	Implementation of disaster funding arrangements by organs of state as per the Disaster Management Act, 2002 for immediate response to the effects of the disaster.	4.1 Number of organs of state that have implemented disaster funding arrangements in terms of the Disaster Management Act.	**Achieved** Report indicating two sector Departments supported in the implementation of disaster funding arrangements by 31 March 2023	**Achieved** 5 sector departments supported on the implementation of disaster funding arrangements by 31 March 2024. The support was provided to the following departments: DHS, DALRRD, DSD, DOT and DFFE.	8 Organs of state that have implemented disaster funding arrangements by 31 March 2025.	**Not achieved** 3 Organs of state implemented disaster funding arrangements by 30 September 2024.	The Programme underachieved its annual target by 5 at the end of September 2024.	The planned annual target of 8 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.4.2	N/A
	Implementation of DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans	4.2 Number of municipalities that have implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans.	**Achieved** Ten municipalities in priority disaster areas and 1 sector Department (DoH) supported to prevent, prepare and mitigate disaster risks through the implementation of applicable disaster management plans by 31 March 2023	**Achieved** 14 district municipalities in priority disaster areas were assessed through their disaster management plan to check the implementation of disaster risk reduction (DRR) strategies, to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2024. The 14 district municipalities are Chris Hani, Fezile Dabi, Sedibeng DM, Bojanala DM, uMgungundlovu, uThukela, Mopani, Ehlanzeni, Frances Baard, Garden Route, Xhariep, Amajuba, Cape winelands and Sarah Baartman.	14 municipalities that have implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans by 31 March 2025.	**Not achieved** 5 municipalities implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans by 30 September 2024.	The Programme underachieved its annual target by 9 at the end of September 2024.	The planned annual target of 14 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.4.2	N/A

Programme 4: National Disaster Management Centre (NDMC)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/ Annual Targets**
Sustained Good Municipal Governance	Implementation of the Fire Services Legislative framework	4.3 Number of municipalities that have implemented the National Fire Safety and Prevention Strategy.	New Indicator	**Achieved** 10 municipalities assessed on the capacity to implement the National Fire Safety and Prevention Strategy by 31 March 2024	15 Municipalities that have implemented the National Fire Safety and Prevention Strategy by 31 March 2025.	**Not achieved** 5 municipalities implemented the National Fire Safety and Prevention Strategy by 30 September 2024.	The Programme underachieved its annual target by 10 at the end of September 2024.	The planned annual target of 15 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.4.2	N/A
	Disaster Management System reviewed.	4.4 Disaster Management system reviewed and overhauled.	New Indicator	**Not achieved** • Consultations were held with the National Disaster Management Advisory Forum on February 12, 2024, and the Head of Centre's and Provincial CoGTA structures. • Further consultations were undertaken with SALGA, including study tour visits to Malawi in the week of March 15, 2024, and Brazil on March 21–24, 2024.	Reviewed system of disaster management piloted by 31 March 2025	**Not achieved** Reviewed system of disaster management was not piloted by 30 September 2024.	Reviewed system of disaster management was not piloted at the end of September 2024.	The planned annual target was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.4.2	The disaster management system was not submitted to Cabinet at the end of the 2023/24 financial year, as the scope of consultation was expanded to include additional stakeholders such as GTAC and SALGA. As a result, the planned annual target was adjusted.

Table 4.4.2: Report against the re-tabled Annual Performance Plan.

Programme 4: National Disaster Management Centre (NDMC)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Basic services delivered to all citizens in an effective and efficient manner	Implementation of disaster funding arrangements by organs of state as per the Disaster Management Act, 2002 for immediate response to the effects of the disaster.	4.1 Number of organs of state that have implemented disaster funding arrangements in terms of the Disaster Management Act.	**Achieved** Report indicating two sector Departments supported in the implementation of disaster funding arrangements by 31 March 2023	**Achieved** 5 sector departments supported on the implementation of disaster funding arrangements by 31 March 2024. The support was provided to the following departments: DHS, DALRRD, DSD, DOT and DFFE.	8 Organs of state that have implemented disaster funding arrangements by 31 March 2025.	Achieved 8 Organs of state implemented disaster funding arrangements by 31 March 2025.	N/A	N/A
	Implementation of DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans.	4.2 Number of municipalities that have implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans.	**Achieved** Ten municipalities in priority disaster areas and 1 sector Department (DoH) supported to prevent, prepare and mitigate disaster risks through the implementation of applicable disaster management plans by 31 March 2023	**Achieved** 14 district municipalities in priority disaster areas were assessed through their disaster management plan to check the implementation of disaster risk reduction (DRR) strategies, to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2024. The 14 district municipalities are Chris Hani, Fezile Dabi, Sedibeng DM, Bojanala DM, uMgungundlovu, uThukela, Mopani, Ehlanzeni, Frances Baard, Garden Route, Xhariep, Amajuba, Cape winelands and Sarah Baartman.	14 municipalities that have implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans by 31 March 2025.	Achieved 14 municipalities implemented DRR strategies to prevent, prepare, and mitigate disaster risks and enhance climate protection through applicable disaster management plans by 31 March 2025.	N/A	N/A
Sustained Good Municipal Governance	Implementation of the Fire Services Legislative framework	4.3 Number of municipalities that have implemented the National Fire Safety and Prevention Strategy.	New Indicator	**Achieved** 10 municipalities assessed on the capacity to implement the National Fire Safety and Prevention Strategy by 31 March 2024	15 municipalities that have implemented the National Fire Safety and Prevention Strategy by 31 March 2025.	Achieved 15 municipalities implemented the National Fire Safety and Prevention Strategy by 31 March 2025.	N/A	N/A

Programme 4: National Disaster Management Centre (NDMC)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Disaster Management System reviewed.	4.4 Disaster Management system reviewed and overhauled.	New Indicator	**Not achieved** • Consultations were held with the National Disaster Management Advisory Forum on February 12, 2024, and the Head of Centre's and Provincial CoGTA structures. • Further consultations were undertaken with SALGA, including study tour visits to Malawi in the week of March 15, 2024, and Brazil on March 21–24, 2024.	Reviewed system of Disaster Management submitted to Cabinet by 31 March 2025.	**Not achieved** Reviewed system of Disaster Management was not submitted to Cabinet by 31 March 2025.	The reviewed system of Disaster Management was not submitted to Cabinet at the end of March 2025.	Additional consultations were recommended prior to tabling the reviewed system of disaster management to Cabinet.

Linking performance with budgets

Sub-Programme Expenditure

Programme 4: National Disaster Management Centre	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Management: Head National Disaster Management Centre	29 367	26 098	3 269	36 729	32 322	4 407
Disaster Policy, Institutional Development and Compliance	8 049	7 808	241	8 044	7 981	63
Disaster Risk Reduction and Capacity Development	10 168	9 370	798	10 247	9 447	800
Disaster Preparedness, Response and Recovery Coordination	16 068	15 791	277	15 582	14 637	945
Municipal Disaster Recovery Grant	1 424 958	1 424 958	-	1 505 387	1 334 573	170 814
Disaster Response Grant	527 687	527 687	-	890 575	873 172	17 403
Total	**2 016 297**	**2 011 712**	**4 585**	**2 466 564**	**2 272 132**	**194 432**

Strategy to overcome areas of underperformance

The table below provides an overview of the strategies to address areas of underperformance.

Outcome	Output	Output Indicator	Reasons for deviations	Action Plan
Programme 4: National Disaster Management Centre				
Basic services delivered to all citizens in an effective and efficient manner	Disaster Management System reviewed.	4.4 Overhauled system of disaster management approved.	Additional consultations were recommended prior to tabling the reviewed system of Disaster Management to Cabinet.	The target has been carried over to the 2025/26 financial year.

4.5 Programme 5: Community Work Programme

Programme purpose: To create income security and work experience for participants and promote social and economic inclusion by targeting areas of high unemployment.	
Sub-Programme	**Sub-Programme Purpose**
Coordination, partnerships and implementation	Provide basic income security as well as protective gear, tools and materials, training, professional service, and Programme overhead funding.
Monitoring and evaluation	Provide evidence-based CWP policy-making and reporting.

PROGRAMME 5: COMMUNITY WORK PROGRAMME

Table 4.5.1: Originally tabled Annual Performance Plan until the date of re-tabling

Programme 5: Community Work Programme (CWP)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
Citizens engaged and participating in government	CWP participants enrolled in the Programme.	5.1 Number of people participating in the Community Work Programme (CWP).	273 848 people participated in the programme by 31 March 2023	**Achieved** 269 889 people participated in the CWP by 31 March 2024.	255 000 people participating in the CWP by 31 March 2025.	**Not Achieved** 251 049 people participated in the CWP by 30 September 2024.	The Programme underachieved its annual target by 3 951 at the end of September 2024. Note: Although this is a non-cumulative target, the same participants will be counted towards the final annual target. Therefore, the deviation from the planned annual target of 255 000 can be measured against the actual achievement of 251 049 reported by the Programme at the end of September 2024.	The planned annual target of 255 000 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.5.2	The target for this indicator was revised due to the National Treasury budget cuts that resulted in the lack of funding to recruit new participants.
	CWP participants receiving artisanal skills training.	5.2 Number of participants trained in artisanal skills.	15 942 CWP participants trained by 31 March 2023.	**Not Achieved** During the period under review, no participants were trained.	25 500 participants trained in artisanal skills by 31 March 2025.	**Not Achieved** No participants were trained in artisanal skills by 30 September 2024.	The Programme underachieved its planned target by 25 500 at the end of September 2024.	The planned annual target of 25 500 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.5.2	The target for this indicator was reduced due to the high cost of artisanal training that the Department was unable to afford as a result of the budget cuts.

Programme 5: Community Work Programme (CWP)									
Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	*Actual Achievement 2024/2025 until date of re-tabling	Deviation from planned target to Actual Achievement 2024/2025	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators/Annual Targets
	CWP participants trained and empowered through smart partnerships to facilitate their exit from the programme.	5.3 Number of CWP participants trained and empowered through smart partnerships to facilitate their exit from the programme.	New Indicator	New Indicator	5 000 CWP participants trained and empowered through smart partnerships to facilitate their exit from the programme by 31 March 2025.	**Not Achieved** 1 817 CWP participants were trained and empowered through smart partnerships to facilitate their exit from the programme by 30 September 2024.	The Programme underachieved its planned target by 3 183 at the end of September 2024.	The planned annual target of 5000 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.5.2	The Programme revised the indicator and targets to ensure that they are both specific and measurable.
	Promote social cohesion through public and private sector partnerships.	5.4 Number of public and private sector partnerships coordinated for absorption of CWP participants into sustainable enterprises.	New Indicator	New Indicator	36 public and private sector partnerships coordinated to facilitate absorption of CWP participants into sustainable enterprises by 31 March 2025.	**Not Achieved** 18 public and private sector partnerships were coordinated to facilitate the absorption of CWP participants into sustainable enterprises by 30 September 2024.	The Programme underachieved its planned target by 18 at the end of September 2024.	The planned annual target of 36 was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.5.2	The Programme revised the indicator and targets to ensure that they are clearly defined and measurable.
	Priority municipalities with improved visible service delivery	5.5 Percentage of priority municipalities with improved visible service delivery due to CWP beneficiaries	New Indicator	New Indicator	30 priority municipalities with improved visible service delivery due to CWP beneficiaries by 31 March 2025.	**Achieved** 30 priority municipalities with improved visible service delivery due to CWP beneficiaries by 30 September 2024.	N/A	N/A	The indicator title was changed from percentage to number to ensure that it aligns with the target description.

Programme 5: Community Work Programme (CWP)									
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	***Actual Achievement 2024/2025 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2024/2025**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators/Annual Targets**
	Rand value investment secured through partnerships for priority municipalities	5.6 Rand value investment secured for a percentage of priority municipalities through partnerships	New Indicator	New Indicator	R1 billion investment secured for 15% of priority municipalities by 31 March 2025.	**Not Achieved** No investment was secured for 15% of priority municipalities by 30 September 2024.	The Programme fell R1 billion short of its annual target at the end of September 2024, which was to be invested in 15% of priority municipalities.	The planned annual target of R1 billion was not yet due for reporting at the end of the second quarter of the 2024/25 financial year. The actual annual performance achieved by the Programme at the end of the reporting period is recorded in Table 4.5.2.	The target relating to the value investment amount was reduced, as this project is dependent on smart partners providing such investment. Additionally, the programme revised the indicator and targets to ensure that they are clearly defined and measurable.

Table 4.5.2: Report against the re-tabled Annual Performance Plan

Programme 5: Community Work Programme (CWP)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
Citizens engaged and participating in government	CWP Participants enrolled in the Programme	5.1 Number of people participating in the Community Work Programme (CWP).	273 848 people participated in the programme by 31 March 2023	**Achieved** 269 889 people participated in the CWP by 31 March 2024.	200 000 people participating in the CWP by 31 March 2025	**Achieved** 251 865 people participated in the CWP by 31 March 2025.	The Programme overachieved its planned target by 51 865 at the end of March 2025.	Following the budget cuts by the National Treasury, the Department reduced its target to 200 000 CWP participants. At the time of reporting, the number of participants was still higher than the planned target because the process of offloading over sixty-year-olds was delayed.
	CWP participants enrolled in artisanal skills training	5.2 Number of participants enrolled in artisanal skills training.	15 942 CWP participants trained by 31 March 2023.	**Not Achieved** During the period under review, no participants were trained.	3 000 participants enrolled in artisanal skills training by 31 March 2025.	**Achieved** 7 980 participants were enrolled in artisanal skills training by 31 March 2025.	The Programme overachieved its planned annual target by 4 980 at the end of March 2025.	Through the various MoUs signed between the Department, public and private entities, the enrolment of participants in artisanal skills training was accelerated.
	CWP participants enrolled in personal development initiatives through smart partnerships	5.3 Number of CWP participants enrolled in personal development initiatives through smart partnerships.	New Indicator	New Indicator	5 000 CWP participants enrolled in personal development initiatives through smart partnerships by 31 March 2025.	**Achieved** 15 282 CWP participants were enrolled in personal development initiatives through smart partnerships by 31 March 2025.	The Programme overachieved its planned annual target by 10 282 at the end of March 2025.	Through the various MoUs signed between the Department, public and private entities, the enrolment of participants in personal development initiatives was accelerated.
	Promote social cohesion through the establishment of smart partnerships.	5.4 Number of smart partnerships established to develop CWP participants	New Indicator	New Indicator	36 Smart partnerships established to develop CWP participants by 31 March 2025.	**Achieved** 38 Smart partnerships were established to develop CWP participants by 31 March 2025.	The Programme overachieved its planned annual target by 2 at the end of March 2025.	The Programme overachieved its target because of growing interest from public and private partners.

Programme 5: Community Work Programme (CWP)								
Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2022/2023**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	****Actual Achievement 2024/2025**	**Deviation from planned target to Actual Achievement**	**Reasons for deviations**
	Priority municipalities with improved visible service delivery	5.5 Number of priority municipalities with improved visible service delivery due to CWP participants.	New Indicator	New Indicator	30 priority municipalities with improved visible service delivery due to CWP participants by 31 March 2025.	**Achieved** 30 priority municipalities with improved visible service delivery due to CWP participants by 31 March 2025.	NA	N/A
	Rand value investment secured through smart partnerships for municipalities.	5.6 Rand value investment secured across municipalities through smart partnerships.	New Indicator	New Indicator	R20 million investment secured across municipalities smart partnerships by 31 March 2025	**Achieved** R2 016 894 100 was secured across municipalities by 31 March 2025.	The Programme overachieved its planned annual target by R1 996 894 100 at the end of March 2025.	The achievement of this target is entirely reliant on the commitments made by private Smart Partners.

Linking performance with budgets

Programme 5: Community Work Programme	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
CWP coordination, partnerships and implementation	3 153 439	3 324 301	(170 862)	3 513 814	3 595 593	(81 779)
CWP monitoring and evaluation	15 403	14 306	1 097	7 856	7 037	819
Total	**3 168 842**	**3 338 607**	**(169 765)**	**3 521 670**	**3 602 630**	**(80 960)**

Strategy to overcome areas of under performance

No action is required as Programme 5 achieved all its planned targets during the reporting period.

5. TRANSFER PAYMENTS

5.1. Transfer payments to public entities

The table below provides details regarding the transfer of payments to public entities.

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the Public Entity	Amount spent by the Public Entity	Achievements of the Public Entity
Municipal Demarcation Board	• Education and awareness consultations on ward delimitation conducted. • Technical ward delimitation consultations conducted with municipalities. • Research Reports produced and published. • Awareness and education activities completed.	R74 191 000	R82 056 243	• Education and awareness consultations on ward delimitation were conducted in 213 municipalities. • Technical ward delimitation consultation conducted in 214 municipalities. • 3 Research reports produced on deferred municipal outer boundary proposals. • 35 awareness and education activities completed.
Municipal Infrastructure Support Agent	• Reduced non-revenue water in dysfunctional municipalities. distressed municipalities increasing job creation through mainstreaming LIC on municipal infrastructure projects. • Improved municipal infrastructure asset management practices • SPLUMA-compliant municipal spatial plans, policies, structures and systems were reviewed. • Improved functionality of dysfunctional Wastewater and Water Treatment Works (WWTWs). • Improved service delivery through technical capacity development in dysfunctional municipalities. • Improved infrastructure resilience to climate change in dysfunctional municipalities. Approved intergovernmental implementation plans and financing of the Eastern Seaboard Development. • Catalytic projects prepared for investment within the Eastern Seaboard Development. • Municipalities with access to funding through the leveraging of national transfers to unlock private sector investments.	R406 679 000	R396 738 741	• 3 municipalities provided with technical support to implement Water Conservation and Water Demand Management (WC/WDM) aimed at reducing non-revenue water. • 30 municipalities provided with technical support to incorporate Labour Intensive Construction (LIC) methods in implementing grant funded infrastructure projects. • 25 municipalities provided with technical support to prioritise MIG budgets towards repairs, maintenance, and refurbishment of infrastructure assets. • 22 municipalities provided with technical support in order to be SPLUMA compliant. • 25 municipalities provided technical skills development opportunities for improved service delivery. • 23 municipalities supported with disaster and climate change adaptation measures. • R2,821 billion of investments (public) mobilised for the development of Eastern-Seaboard region. • 6 infrastructure projects prepared for bankability. • R5,038 billion mobilised for municipal infrastructure development or refurbishment through alternative and innovative mechanisms.

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the Public Entity	Amount spent by the Public Entity	Achievements of the Public Entity
South African Local Government Association	Operational and membership fees	R36 949 000	R36 949 000	Achieved 91% in the 2024-2025 financial year

5.2. Transfer payments to all organisations other than public entities

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025.

LOCAL GOVERNMENT EQUITABLE SHARE TRANSFERS (LGES)

Name of transferee	Type of organization	Purpose for which the funds were used	Did the Department comply with s 38 (1) (j) of the PFMA	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
256 Municipalities	Metropolitan, Local and District municipalities	The local government equitable share is an unconditional grant that supplements the revenue that municipalities can raise themselves, providing funding for municipalities to deliver free basic services to poor households and subsidises the cost of administration and other core services for those municipalities with the least potential to cover these costs from their revenues	Yes, payments are done according to the payment schedule and PFMA.	R99 503 727.00	N/A	N/A

The table below reflects the transfer payments made for the period 1 April 2024 to 31 March 2025

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred	Amount spent by the entity	Reasons for the funds unspent by the entity
South African Cities Network	Non-Profit Institution	Operations	Yes	R8, 664, 000	R8, 664, 000	N/A

The table below reflects the transfer payments which were budgeted for in the period 1 April 2024 to 31 March 2025, but no transfer payments were made.

Name of transferee	Purpose for which the funds were to be used	Amount budgeted for	Amount transferred	Reasons why funds were not transferred
N/A				

6. CONDITIONAL GRANTS

6.1. Conditional grants and earmarked funds paid

The tables below detail the conditional grants paid by the Department.

Conditional Grant 1: Integrated Urban Development Grant (IUDG)

Integrated Urban Development Grant (IUDG)	
Department/ Municipality to whom the grant has been transferred	Mogale City, Ray Nkonyeni, uMhlathuze, Polokwane, Steve Tshwete, Sol Plaatjie, Drakenstein, Stellenbosch and George Local Municipalities.
Purpose of the grant	• To provide funding for public investment in infrastructure for the poor and to promote increased access to municipal sources of capital finance in order to increase funding for public investment in economic infrastructure. • To ensure that public investments are spatially aligned and to promote the sound management of the assets delivered.
Expected outputs of the grant	• Number of new water connections meeting minimum standards. • Number of new sewer connections meeting minimum standards. • Number of dwellings provided with connections to the main electricity supply by the municipality. • Percentage of known informal settlements receiving integrated waste-handling services during the financial year. • Additional square metres of parks were provided during the financial year. • Additional square metres of outdoor sports facilities were provided during the financial year. • Additional square metres of public open space were provided during the financial year. • Number of additional community halls provided during the financial year. • Number of additional libraries provided during the financial year. • Percentage of unsurfaced roads graded within the financial year. • Percentage of surfaced municipal road lanes which has been resurfaced and resealed. • Length of non-motorised transport paths built over the financial year. • Number of work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs. • Number of specialised vehicles for waste management (as defined in annexures A and B of the norms and standards for specialised waste vehicles) purchased to service the poor.
Actual outputs achieved	The 2023/24 municipal budget cycle began on 01 July 2023 and ended on 30 June 2024, when the Department's budget cycle had already started. As a result, the 2023/24 service delivery performance for the IUDG is outlined below: Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for: • 135 households provided with basic water and sanitation services. • 100 households provided with electricity. • Community infrastructure constructed (new infrastructure and upgrading and renewal of existing infrastructure): - A sport and recreation facility was constructed. - Two pedestrian bridges have been constructed. - Six kilometre of municipal roads were constructed. - 2 kilometre of municipal roads upgraded and rehabilitated. - 50 streetlights and 42 high-mast lights installed. - A community hall constructed.

Integrated Urban Development Grant (IUDG)	
Actual outputs achieved	• 465 full-time equivalent jobs created using the Expanded Public Works Programme (EPWP) Guidelines for the above output. • The 2024/25 municipal budget cycle started in July 2024 and ends in June 2025. Therefore, the inputs below provide the planned projects per sector, up to 30 June 2025:60 water and sanitation projects. - 134 roads and stormwater projects. - 7 electrification projects. - 10 waste management projects. - 18 sports and recreation projects. - 28 public facilities projects. - 12 planning and studies, project management unit capacity.
Amount per amended DORA	R1,145,564,000.00
Amount transferred (R'000)	R1,145,564.000.00
Reasons if amount as per DORA not transferred	Not applicable — all the allocated funds, including adjusted allocations, were transferred to municipalities.
Amount spent by the department/ municipality (R'000)	The Department transferred R1,145,564,000.00 by 31 March 2025 and of the transferred amount, the municipal cumulative expenditure was R783,555,000.00.
Reasons for the funds unspent by the entity	The spending year for the IUDG started on 01 July 2024 and will end on 30 June 2025.
Monitoring mechanism by the transferring department	• Monitoring and oversight meetings/workshops • Monthly, quarterly and annual reporting • Project site visits and verifications

Conditional Grant 2: Municipal Systems Improvement Grant (MSIG)

Municipal Systems Improvement Grant (MSIG)	
Department/ Municipality to whom the grant has been transferred	The Municipal Systems Improvement Grant (MSIG) is an indirect grant, allocated in terms of Schedule 6B of the Division of Revenue Act, and is not transferred to municipalities, but spent by the Department of Cooperative Governance (DCoG) to address municipal institutional capacity building challenges.
Purpose of the grant	To assist municipalities in performing their functions and stabilise their institutional and governance systems as required in the Municipal Systems Act and related local government legislation.
Expected outputs of the grant	• Support municipalities on governance and institutional matters through the District Development Model (DDM) approach, with District Hubs as central points of integration and coordination of support and capacity building interventions including amongst others, support on the following outputs: development of comprehensive institutional diagnostic analysis/assessments to determine skills, systems, performance, institutional gaps and main constraints impeding effectiveness and sound municipal performance development of institutional improvement plans guiding all capacity building grants and municipal support initiative. • Support municipalities in the implementation of the Integrated Urban Development Framework (IUDF). • Support municipalities in the improvement of their records management. • Support municipalities in the improvement of their Information and Communications Technology (ICT) infrastructure. • Support municipalities to promote ethical conduct through the development and maintenance of a web-based-case management system to institutionalise measures to expeditiously address incidents of unethical conduct, breach of the Code of Conduct for Municipal Staff, substandard performance and to strengthen enforcement measures.

Municipal Systems Improvement Grant (MSIG)	
Expected outputs of the grant	• Support to municipalities on Human Resource and Organisational Development as well as Disciplinary Management Support. • Support to municipalities through the rollout of the prototype staff establishment project. • Support municipalities in the rollout of training on municipal staff regulations. • Support municipalities in the preparation of an institutional recovery plan and the implementation thereof, where appropriate (including assisting municipalities to review and prepare organograms, policies and by-laws). • Support municipalities to build confidence in their recruitment and selection systems by strengthening assessment mechanisms such as competencies, exams and group exercises. • Assess and evaluate the readiness in terms of adoption and implementation of the Smart Cities Framework at the selected municipalities and develop a Support Programme for Smart City Initiatives as per the Smart Cities Framework. • Support municipalities on the cost of supply studies for water and electricity (municipal tariff data management) and related matters. • Support municipalities in the improvement of their data management. • Support municipalities in the implementation of the Municipal Property Rates Act.
Actual outputs achieved	Cost of supply studies in water distribution (bulk water tariffs). The Phase 2 final tariff review and structure reports were completed for the following municipalities: • Bela-Bela Local Municipality • Lekwa-Teemane Local Municipality • The support project was completed at the end of the 2024/25 financial year. Pilot and validation of municipal prototype staff establishments achievements: • Phase 1: Conduct a diagnosis: The Diagnostic Report is finalised for all sampled municipalities. • Phase 2: Design: The Mapped Municipal Capabilities Report is finalised with all sampled municipalities. • Phase 3: Cost assessment / analysis: The Pilot and Validation Phase is finalised with all sampled municipalities. • Phase 4: Transition: Currently in the process of Confirming affordability and alignment to the municipal budget, developing and consulting a legally sound placement policy, principles and protocols with key municipal stakeholder structures. • All job profiles that came with the prototype staff establishments were confirmed. • Phase 5 Project closure: Developed a close-out report on the pilot and validation of prototype staff establishment Review of local government competency framework and assessment batteries achievements: • Phase 1: Literature Review • Phase 1: Workshops and consultation with DCoG • Phase 1: Development job descriptions and draft Competency Frameworks. • Phase 2: Data Collection • Phase 2: Design – broad background for hypothetical municipality and developing exercises. • Phase 2: Design the rating scales and guidance for scoring. • Phase 2: Statistical review of results and refinement. • Phase 2: Initial pilot of exercises with a representative selection of poor and high performers. • Phase 3: Pilot of new material and reporting • Psychometric Assessment Costs • Phase 3: Reporting and analysis • Phase 3: Project Close-out and material hand over • Skills Transfer: Training material development

Municipal Systems Improvement Grant (MSIG)	
Actual outputs achieved	Skills Transfer: Capacity building and skills transfer training on municipal staff regulations achievements: • Development of training and learning material (facilitators Guide, Training packages for councillors, municipal HR Functionaries, senior managers) • Rollout training for councillors was completed in all provinces. • Rollout training for municipal HR functionaries has been completed. • Rollout training for senior managers on implementation of MSR & Guidelines has been completed. • Rollout training for DCoG Programme Management Office & Provincial Coordinators has been completed Data management (Revenue) Of the 8 selected municipalities which we supported; we were able to: • Correct the identified abnormalities and have accurate, consistent and complete data for billing as they largely depend on consumer data for billing, which will provide future substantial revenue growth andbring efficiency in revenue management. We have witnessed improvement in the audit outcomes, where municipalities have moved from disclaimer and adverse opinions to qualifications, with less findings and reduced material irregularities reported. i.e. Madibeng and Mpofana Municipalities have improved audit outcomes. Records management: Of the 30 selected municipalities which we supported; we were able to witness improvement on: • Regulatory compliance. • Protection of essential records. • Improved access and retrieval of records. • Eliminated accidental records destruction. • Improved traceability, and improved business processes. • Improved business process and decision making. • Improved municipality workflows. • Preserved municipal organization knowledge. • Reduced storage and operational costs. • Improved audit outcomes, with reduced material irregularities.
Amount per amended DORA	R173,298,000.00
Amount transferred	Not applicable, funds are spent by the Department.
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality	R135,968,011.14
Reasons for the funds unspent by the entity	Non-responsive bids and requests for quotations.
Monitoring mechanism by the transferring department	• Monthly performance monitoring meetings. • Monthly, quarterly and annual reporting. • Project steering committee meetings.

Conditional Grant 3: MIG Grant

MIG Grant	
Department/ Municipality to whom the grant has been transferred	Municipalities
Purpose of the grant	• To provide specific capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities. • To provide specific funding for the development of asset management plans for infrastructure servicing the poor.
Expected outputs of the grant	The MIG is a schedule 5 (direct grant) to municipalities. Infrastructure includes the construction of new infrastructure and the upgrading and renewal of existing infrastructure that includes: • Basic water and sanitation services • Central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites • Sport and recreation facilities • Street and community lighting • Public facilities • Municipal roads (also maintenance) Also included, work opportunities and Full-Time Equivalents (FTEs) created using the Expanded Public Works Programme (EPWP) guidelines for the above outputs. Other areas include: • Specialised vehicles for waste management servicing the poor. • Repairs and refurbishment of water services infrastructure servicing the poor. • Asset management planning development. • Maintaining project management capacity at a municipal level to support the MIG programme and other schedule 5B grants.
Actual outputs achieved	• The MIG is a municipal grant, which implies funds are spent between 1 July and 30 June of the next year. Municipalities have until 30 June 2025 to achieve outputs against their 2024/25 MIG implementation plans. • The 2024/25 MIG Annual Report required in terms of Section 10 of the Division of Revenue Act, 2024 will express the outputs achieved in 2024/25 which is due to National Treasury by 31 October 2024.
Amount per amended DORA	R17,054,355 000 allocated through schedule 5B and R59 309 000 allocated through 6B allocation
Amount transferred	R17,054,355 000 transferred through schedule 5B and R59 309 000 transferred through MIG 6B allocation
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	• R12,180,277,800 (71%) of the schedule 5B MIG 2024/25 allocation has been reported by municipalities as spent • R59 309 000 (100%) of the schedule 6B MIG 2024/25 allocation has been spent.
Reasons for the funds unspent by the entity	The schedule 5B MIG is a municipal grant, which implies funds are spent according to municipal financial years (between 1 July and 30 June of the next year). Municipalities have until 30 June 2024 to spend the MIG funds.
Monitoring mechanism by the transferring department	• Schedule 5B MIG project monitoring is undertaken by DCoG (including MISA), provinces and sector departments through spot checks and municipal engagements. Expenditure monitoring includes the submission of proof of payments by the municipalities on projects, verified by provinces and confirm nationally through the MIG-MIS. • Schedule 6B MIG projects monitoring is undertaken by the MISA, appointed as the Implementing Agent.

Conditional Grant 4: Municipal Disaster Recovery Grant

Municipal Disaster Recovery Grant	
Department/ Municipality to whom the grant has been transferred	• The Municipal Disaster Recovery Grant was allocated to 72 municipalities in KwaZulu-Natal, Mpumalanga, Limpopo, Eastern Cape and Free State based on the disaster that took place in 2023 and 2024. • An allocation of R1 424 958 000 was transferred to the municipalities to reconstruct and rehabilitate the damaged infrastructure. An expenditure of 18% was reported by the municipalities within the provinces.
Purpose of the grant	To rehabilitate and reconstruct municipal infrastructure damaged by a disaster.
Expected outputs of the grant	Municipal infrastructure damaged by a disaster reconstructed and rehabilitated.
Actual outputs achieved	Reconstruction and rehabilitation of municipal infrastructure damaged by the floods. The National Treasury allocated R 1.200 billion through the Adjusted Estimates of National Expenditure (AENE) to municipalities in the Eastern Cape, Limpopo, Mpumalanga and KwaZulu-Natal to reconstruct the damaged infrastructure because of the February 2023 floods. R1.3 billion was transferred to municipalities through the Recovery Grant.
Amount per amended DORA	R1 424 958
Amount transferred	R1 424 958
Reasons if amount as per DORA not transferred	Erroneous allocation to the municipalities because of the 2019 disasters.
Amount spent by the department/ municipality	0% as the funds were transferred only in February/March 2024.
Reasons for the funds unspent by the entity	Erroneous allocation to the municipalities because of the 2019 disasters.
Monitoring mechanism by the transferring department	• Attends and participates in provincial project steering committee meetings. • Conduct project site visits and stakeholder engagements to monitor progress. • Analyse submitted reports, identify areas of concern for appropriate actions and interventions. • Provide guidance and support to grant recipients in the implementation of interventions. • Issue regular reminders to the grant recipients on the submission of performance and financial reports, supporting documentation, as well as outstanding matters. • Issuance of non-compliance letters to non-complying grant recipients. • Escalation of critical areas of concern to the executive and relevant structures for interventions.

Conditional Grant 5: Municipal Disaster Response Grant

Municipal Disaster Response Grant	
Department/ Municipality to whom the grant has been transferred	In the 2024/25 financial year, the Department transferred the Municipal Disaster Response Grant to 94 municipalities in the North West, Northern Cape, Mpumalanga, Western Cape, KwaZulu-Natal and Free State provinces between April 2024 and March 2025, to address the damages caused by the floods that occurred in the 2024/2025 financial year.
Purpose of the grant	To provide for the immediate release of funds for disaster response if an occurrence cannot be adequately addressed in line with section 2(1)(b) of the Disaster Management Act.
Expected outputs of the grant	• Emergency repair of critical infrastructure. • Emergency provision of critical goods and services.
Actual outputs achieved	Critical municipal infrastructure was repaired and restored to ensure continued and reliable service delivery.

Municipal Disaster Response Grant	
Amount per amended DORA	Combined allocation for Disaster Response Grants was R527 687 000, with the breakdown as follows: • Municipal Disaster Response Grant: R378 342 000 • Provincial Disaster Response Grant: R149 345 000 (The National Treasury recalled the funds immediately after the transfers were made by the NDMC) Total Allocation:R527 687 000 million.
Amount transferred	A total of R378 342 000 was transferred to 94 municipalities and R149 345 000 to four provinces for the repairs of damages due to the 2024 and 2025 disasters.
Reasons if amount as per DORA not transferred	The Department transferred the entire R527 687 00 to municipalities and provinces. However, the National Treasury recalled an amount of R149 345 000 transferred to the provinces.
Amount spent by the department/ municipality	4% of the allocated amounts was spent by the receiving municipalities.
Reasons for the funds unspent by the entity	The National Treasury recalled the funds immediately after the transfer to provincial sector departments.
Monitoring mechanism by the transferring department	• Attends and participates in monthly provincial Project Steering Committee meetings. • Conduct project site visits and stakeholder engagements to monitor progress. • Analyse submitted reports, identify areas of concern for appropriate actions and interventions. • Provide guidance and support to grant recipients in the implementation of interventions. • Issue regular reminders to the grant recipients on the submission of performance and financial reports, supporting documentation as well as outstanding matters. • Issuance of non-compliance letters to non-complying grant recipients. • Escalation of critical areas of concern to the executive and relevant structures for interventions.

6.2. Conditional grants and earmarked funds received

The Department was not allocated any conditional grants or earmarked funds during the period under review.

7. DONOR FUNDS

7.1. Donor Funds Received

The Department did not receive donor funds during the 2024/25 financial year.

8. CAPITAL INVESTMENT

8.1. Capital investment, maintenance, and asset management plan

There were no capital investment and maintenance activities during the reporting period.

Progress made on implementing the asset management plan:

- Asset Management System
  - An asset management module and app has been developed and is currently 99% complete.
- Asset management policy
  - Asset Management Policy and SOP have been reviewed and approved.
- Asset Register
  - An asset register has been completed, updated, and submitted to AGSA.
- Annual Financial statement
  - The Annual Financial statement inputs on assets have been submitted.
- Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft
  - The assets were recommended for disposal by the Loss Control Committee and approved by the Director General.
  - The disposal of assets was carried out across all provinces.
- Measures taken to ensure that the department's asset register remained up-to-date during the period under review.
  - The Annual Asset Verification for the 2024/25 financial year was carried out across all provinces.
- The current state of the Department's capital assets, for example what percentage is in good, fair or bad condition
  - The Department's capital assets are currently assessed to be at 95%.

Infrastructure projects	2024/2025			2023/2024		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
N/A						

PART C

GOVERNANCE

1. INTRODUCTION

Good governance is the cornerstone for promoting transparency, accountability and efficiency within the public service. The Department's commitment to cultivate the highest standards of administration is fundamental to the management of public finances and resources. Citizens demand the highest standards of service and want assurance that the Department has good governance structures in place to prudently utilise diminishing state resources effectively, efficiently and economically.

2. RISK MANAGEMENT

The Department has adopted an integrated enterprise risk management approach, which incorporates a business continuity programme. This approach is implemented by employees at every level of the organisation and applied in strategic settings. It is also designed to identify potential events that may affect the department's ability to meet its strategic goals and operations.

The Department has an approved risk management policy and strategy. An annual Risk Management Implementation Plan, which is approved by the Accounting Officer on recommendation of the Risk Management Committee, is in place and the implementation thereof is monitored on a quarterly basis. The execution of risk management in the Department is guided by the Enterprise Risk Management (ERM) Framework.

The risk assessments were conducted at strategic, operational, process and project levels during the year under review. Furthermore, the Department conducts fraud risk assessments and ethics risk assessments and through these processes, Top Strategic Risk Profile is developed, Branch and operational risk registers are compiled, and risk mitigation strategies are monitored and implemented on a quarterly basis by management, the Combined Assurance Committee and Risk Management Committee (RMC). Emerging risks are identified and reported by management to the RMC quarterly. In addition, business continuity plans for critical business processes were developed and tested during the reporting period.

A Risk Management Committee presided over by an Independent Chairperson, is in place to assist the Accounting Officer in executing risk management responsibilities in line with approved terms of reference which guides its activities and areas of focus. It meets quarterly to review the effectiveness of risk management in the department and recommend areas of improvement to the Accounting Officer. The Chairperson of the RMC also tables a report to the Audit Committee on the department's risk management. The Audit Committee independently monitors the effectiveness of the system of risk management and advises the Department accordingly.

The table below outlines the top five strategic risks facing DCoG as at 31 March 2025:

No	Risks	Inherent risk rating (01-Apr-24)	Residual risk rating (31-Mar-25)	Risk Exposure
1.	STR 1 Failure to obtain unqualified audit opinion	Medium	Medium	↔
2.	STR 2 Organisational structure not responding to the strategy	High	High	↓
3.	STR 3 Delayed relocation to new office space	Extremely High	Extremely High	↔
4.	STR 4 District Development Model (DDM) might not fully achieve its objectives	High	High	↓
5.	STR 5 Budget reductions	Extremely High	Extremely High	↔

Risk Exposure Legends:

↑	Risk exposure increased.
↓	Risk exposure decreasing.
↔	Risk exposure unchanged/mitigations not yet implemented.

3. FRAUD AND CORRUPTION

The Department maintains anti-corruption and whistleblowing policies and a strategy. Fraud risks were identified, managed, and reported during the reporting period. Regular awareness campaigns were conducted through available mediums to all employees, with emphasis on whistleblowing reporting procedures as well as on prevention and detection of fraud and corruption. The reporting procedures outline and emphasise the process of reporting allegations of fraud and corruption, the investigation process, and feedback mechanisms.

4. MINIMISING CONFLICT OF INTEREST

All designated employees are required to disclose their financial interests annually. During the reporting period, all designated employees declared their financial interests within the stipulated timeframes. In addition, concerted efforts were made to ensure the management and assessment of applications for performing remunerative work outside the public service, lifestyle reviews, disclosure of gifts, and courtesies. Where there is evidence of non-compliance, consequence management is applied.

5. CODE OF CONDUCT

The Department complies with the Code of Conduct for the Public Service. The Code of Conduct for the Public Service outlines the expected conduct of every employee. It also states that ethics-related risks must be-assessed, managed, and reported. The Ethics Committee continues to convene and monitor compliance with the Code of Conduct and provides recommendations to the Accounting Officer.

6. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

A strategic approach to occupational health, safety, and environmental (HSE) management is implemented to optimise overall performance and sustainability. HSE goals are aligned with departmental objectives to enhance efficiency while ensuring compliance with applicable legislation.

Hazard Identification and Risk Assessment (HIRA) approach is utilised by the appointed health and safety representatives to ensure early detection of hazards, systematic risk assessment and implementation of engineering controls, administrative procedures, and personal protective equipment to eliminate or minimise identified and inherent risks.

The emergency preparedness process includes controls such as emergency evacuation drills, clearly marked escape routes and assembly points, loudhailers for communication, and emergency evacuation chairs. Health and safety representatives, first aiders, and fire marshals are trained and designated to manage emergencies effectively.

Leadership support and involvement is demonstrated in fostering a positive safety culture through the implementation of the approved OHS Policy. This policy outlines the roles and responsibilities of the Accounting Officer, OHSA Section 16(2) appointee, employees and non-employees, OHS Committee members, as well as the process of reporting of OHS incidents.

7. PORTFOLIO COMMITTEES

During the period 2024/25 financial year, the Department engaged with the Portfolio Committee on Cooperative Governance and Traditional Affairs on several critical areas. The Portfolio Committee also had meetings with various entities, including municipalities, provinces, and law enforcement agencies.

The table below summarises the key activities and issues highlighted by the Portfolio Committee during the interaction with the Department:

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
10 July 2024	1	Briefing on DCoG, MISA and DTA Annual Performance Plans (APPs)	The Committee expressed its satisfaction with the contents of the presentations. However, concerns were raised about the success of Eskom's debt relief programme, the success of the District Development Model, the capacity of the Local Government Operations and Support Branch, the unreliable water supply in the country, among others.	The Department took the committee through the steps undertaken by National Treasury in implementing the Eskom Debt Relief Programme, presented on the successes of the District Development Model during the workshop between 19 and 23 August 2024, explained efforts by the Department to augment its capacity to provide hands-on support to municipalities through the Results Management Office, a capacity resourcing instrument, and measures being undertaken by DCoG and the Municipal Infrastructure Agent (MISA) to deal with water challenges in municipalities. **Eskom Debt Relief Programme:** • The overall average compliance municipal submission rate is 96% • The overall average performance achievement is 72% • Free State and Limpopo are below moderate performance Debt write-off as of 13 August 2025: 24 of the 71 participating municipalities qualify for the first 1/3 write off, representing R4.1 billion debt write-off (7.5%) of the total R55.3 billion municipal relief debt capped on 31 March 2023.	Yes
27 August 2024	2	Briefing on 2022-2023 AGSA MFMA Audit Outcomes	The Committee raised concerns about the poor performance of Metropolitan Municipalities; noted that political interference in administration had a negative impact on the audit outcomes and that this needed to be addressed; noted the continued use of consultants in municipalities even though this did not translate into good audit outcomes; asked questions about the functioning of Internal Audit Units; and enquired about the impact of municipal debt and revenue collection in municipalities with unfunded budgets and the impact of poor performance on service delivery, especially the poor, and whether there was consequence management for non-submission of Annual Financial Statements, among others.	An Inter-Ministerial Committee (IMC) on Municipal Performance Turnaround Plans was established by Cabinet as a direct response to AGSA's 2022-2023 municipal audit outcomes which revealed widespread underperformance across municipalities. The IMC oversees various activities towards the implementation of the Municipal Performance Turnaround Plans (MPTP) for distressed municipalities, which proposes interventions in the short, medium and long term. Municipalities have been assessed by the Department and supported under the programme on the key pillars that cover areas identified by the AGSA and these areas include governance, financial health, institutional matters and service delivery.	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
				The audit action plans in selected municipalities are being assessed for adequacy and evaluated, in order that proposed actions address challenges and root causes raised by the AGSA. DCoG, National Treasury and the South African Local Government Association will establish a quarterly oversight mechanism with the provinces to ensure the prioritised municipalities are supported with the municipal audit outcomes. The Department is in the process of implementing Municipal Performance Turnaround Plans (MPTP) for distressed municipalities that have failed to perform basic municipal functions and/ or are unable to achieve clean audits. Furthermore, the IMC is focused on support in the following areas to enhance sustainability: • Eskom Debt Relief • Debt owed to municipalities by Organs of State • Municipal Debt owed to water boards With respect to unfunded budgets, both the National Treasury and DCoG have initiated measures to address this including the issuance of directives on the matter, aimed to ensure that consequence management is implemented. With respect to Skills Development and Audit Readiness: • GRAP updates, audit steering committee • participation, and audit readiness engagements • Annual AFS workshops and real-time AFS review • support via Provincial Treasuries and CoGTA. • Hotline support for accounting, audit, and • compliance issues (PTHelpme) (WC).	

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
				With respect to Training for Oversight Structures: • Targeted training for MPACs and municipal • disciplinary boards. • Capacity building for Section 79/80 committees and councillors. • Workshops on SCM, AFS, unauthorised, irregular, fruitless and wasteful expenditure, and • Consequence management.	
28 August 2024	3	Follow-up engagement with the National Disaster Management Centre (NDMC)	The Committee appreciated the NDMC's thorough report and posed critical questions about disaster management, highlighting concerns such as the legislative Review of the Disaster Management System, funding for unforeseen disasters, and local municipalities' capacity for handling structural fires. They also questioned the prolonged use of Temporary Residential Units as housing and enforcement of building regulations in flood-prone areas. Clarity was sought on integrating Disaster Management Plans and Risk Reduction strategies and utilizing the Working for Fire Programme. Discussions included a combined disaster assessment approach, counselling for trauma victims, and NDMC's role in ensuring compliance with Disaster Risk Reduction measures. They raised challenges of official responsiveness, early warning systems' effectiveness, local disaster assessment, and corruption during reconstruction.	The Department assured that legislative review and a re-evaluation of disaster funding would address these issues and emphasized support for municipalities, intergovernmental relations, and access to resources. The Department of Social Development was noted as a key provider of trauma counselling, although compensation for losses, especially for farmers, remains problematic. In terms of disaster management plans submitted, the NDMC has recorded a total of 175 Disaster Management Plans on its database. From this number, 16 is from national sector departments, 9 from all 9 provinces, 23 from provincial sector departments, 7 from Metropolitan municipalities, 40 from district municipalities and 70 from local municipalities. A total of 55 disaster management plans have been assessed to date. From 2023/24 into the 2025/26 financial years respectively, the NDMC is implementing an APP project focusing on "municipalities that have implemented DRR strategies to prevent, prepare and mitigate disaster risks and enhance climate protection through applicable disaster management plans". The process requires that the NDMC, supported by the Provincial Disaster Management Centres (PDMC), conducts physical engagement sessions with the selected district municipalities, utilising the previously assessed disaster management plan of the selected municipality.	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
				The main objective of this exercise is to check the extent at which the gaps identified during the assessment of disaster management plans were addressed. The process further requires that the Disaster Management Plan Implementation Monitoring Tool be populated by the selected municipality, to form part of the report that the NDMC will submit to DCoG/NDMC management for consideration. The target for each year is14 municipalities, and to date, a total of 28 municipalities have been concluded, with this number to increase to 42 by the end of the current financial year. This is a moving yearly target that is aligned to the 2024/29 MTDP. There is no partnership with the Working on Fire Programme. Building Regulations is a concurrent function into Schedule 4B of the Constitution which provides a municipality executive authority to administer it. The National Building Regulation and Building Standards Act 1977 makes provision for uniformity in the laws relating to the erection of buildings and established building standards. While the Regulations apply nation-wide, the degree of enforcement and specific local authority adaptations may vary depending on the local authority. Enforcement of the regulations is influenced by many factors and is therefore complex. The application of the building codes for informal settlements, traditional building practices, among others, is simply not possible or feasible. The review of the Disaster Management System is unfolding and once approved by Cabinet all corrective measures will be implemented.	

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
29 Oct 2024	4	Briefing on the Local Government: Municipal Structures Amendment Bill (Coalition Bill)	The Committee raised concerns about the risks of removing municipal office bearers via a show of hands, due to potential security threats in politically unstable areas, and the dangers posed to individuals through visible voting. They also debated the proposal of a 1% vote threshold for political parties to gain a seat, questioning its legality and the potential exclusion of smaller parties from influencing coalition governments. The Committee intends to seek legal clarification and stressed that legislation should ensure transparency and public interest by making party agreements public rather than serving only political interests.	A consideration is given in the revised Bill to make it discretionary that the removal of office-bearers (Speaker, Mayor, Whip) from office, must be decided by the municipal council by resolution taken by either show of hands or secret ballot, as may be deemed necessary by the municipal council concerned. The Department is presently exploring the various alternative options for the application of the more acceptable threshold that are less restrictive and constitutionally sound and justified. A consideration is also given to ensure that a copy of the signed coalition agreement by parties and independent councillors, if applicable, must be submitted to the respective MECs for local government in the province for publication in the Provincial Gazette. In addition, any amendments to the coalition agreement to be duly signed by the relevant parties concerned, and the copy thereof submitted to the respective MECs for local government and published in the Provincial Gazette.	Yes
1 Nov 2024	5	Briefing on the STS-TID Rollover	The Committee acknowledged the Department's progress but is concerned about potential community impact if updates weren't properly executed by 24 November 2024. It emphasized the importance of meeting the deadline and requested an updated progress report. The Committee was committed to supporting the Department to address revenue loss from non-vending meters by the deadline.	The DCoG established an oversight committee comprising of representatives from SALGA, National Treasury, and MISA. The risks associated with the STS-TID rollover were successfully mitigated.	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
22 Nov 2024	6	Briefing on the State of Readiness for the summer season	The Committee received a briefing from the NDMC on its readiness for the summer season. It requested the NDMC to brief all the municipalities that may be affected in the summer season ahead of time and prepare them. Dry runs to test responses should be considered and the issue of people living in flood plains dealt with. However, disaster financing needs to be improved, and specific attention had to be paid to this area because disasters need to be managed to ensure quick response, easy coordination and direct responses to deal with recovery in affected areas. The long period taken by the NDMC to respond to disasters was a cause for concern and funding was a huge factor.	The Disaster Management Contingency Plan for the 2024 Summer Season outlined the country's preparedness capabilities and response arrangements within an integrated approach and shared responsibilities between government, state-owned entities, private institutions/agencies, communities, and individuals for the coordination and management of seasonal hazards. It also provided organisational procedures, roles and responsibilities, human and financial resources, communication channels and any other resource or activity required for the country to prepare, mitigate, respond timely and effectively to an incident that may occur. The plan also guides decisions to ensure that resource allocations support implementation of preparedness (contingency) arrangements and it acts as a framework for multi-sectoral coordination, resource mobilisation for disaster preparedness, response and recovery activities. The plan promotes interdependence and interrelatedness among spheres, while also encouraging government sectors to cooperate, to act in unison, and be supportive of each other. On disaster funding, the DCoG submitted assessments for five provinces and only the Western Cape was allocated. However, the National Treasury appointed the Infrastructure Fund to repackage the submissions for Eastern Cape, KwaZulu-Natal, Limpopo and Mpumalanga. The process is under way and a submission for disaster funding has been made to National Treasury through the Unforeseeable and Unavoidable Cabinet process.	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
2 Dec 2024	7	Registration of Spaza Shops	The Committee is focused on oversight, particularly in disaster recovery and the Department of Cooperative Governance's reporting on rehabilitation progress. Concerns have been raised about the Department's ability to handle food poisoning incidents linked to spaza shops, indicating the need for better preventative and response measures. The Committee is also monitoring the Spatial Development Bill's implementation through follow-up meetings and addressing prepaid meter issues to protect communities. They plan to support the Minister in engaging with Khoi and San leaders and are disappointed by the delayed submission of the Traditional Khoi and San Leadership Act to Parliament, which hampers the rights and recognition of these communities.	Regarding government's response to food poisoning and registration of spaza shops and retail businesses; the Department is monitoring the implementation of by-laws by municipalities, to curb illegal business activities and food borne illnesses. Municipalities are expected to provide quarterly progress reports to the Department via the Provincial Departments of Cooperative Governance and Traditional Affairs and Economic Development.	Yes
18 Feb 2025	8	Briefing on the progress made on Municipal Turnaround Plans. Briefing by Rand Water Board on water provision to municipalities port	The discussions revealed a significant interest in comprehending the specific challenges municipalities encounter in providing essential electricity and water services. Central questions focused on the mechanisms established to guarantee the effective implementation of distribution agency agreements, with participants seeking detailed information on how governmental support would convert into adequate resources at the municipal level to enhance proposed initiatives.	The Department, through the Results Management Office, a resourcing vehicle for DCoG, has a team of highly skilled and experienced individuals working in the priority municipalities to provide hands-on support in the areas of finance, engineering, governance and infrastructure, among others. There was collaboration with various public and private sector organisations, sector departments and the South African Local Government Association. As the Department navigates the intricacies of municipal support, it has clarified its stance on sections 139 and 154, underscoring the necessity of adhering to legal parameters. Their strategy emphasizes collaborative efforts with provincial and national departments, ensuring that any support extended to municipalities is mutually agreed upon to prevent any potential legal complications. This cooperative approach aims to provide effective assistance while remaining within the Department's legal framework.	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			Additionally, concerns were raised about the role of DCoG in assisting municipalities that are struggling to utilize MIG funds effectively, alongside the criteria used for funding allocation under the MIG Schedule 6B programme for distressed municipalities. There was also a focus on the effectiveness of capacity-building programme in promoting long-term skills development, the strategies in place to tackle municipal debt issues, and the advancements in municipal-led corruption investigations. Lastly, the incorporation of climate change considerations into infrastructure projects and the department's strategies for addressing the underutilisation of allocated funds by municipalities were subjects of significant inquiry.	Recognising the considerable challenges that municipalities face, particularly in managing water and sanitation, the Department emphasised the urgent need for robust governance and effective consequence management. The council's leadership, including the mayor and municipal manager, must be held accountable for the effective functioning of municipal services. To promote transparency and monitor progress, these responsibilities will be incorporated into the annual performance plan, allowing for regular evaluations and accountability.	
25 March 2025	9	Report by the Minister on: Status of Registration of retail and spaza shop businesses; Classification of National Disaster – 7 March 2025 Distribution of disaster funding to provinces	The operation of spaza shops, especially those run by foreign nationals in rural areas and townships, presents a number of intricate challenges. There are criteria that foreign nationals must meet to be eligible for operating spaza shops, although these details may differ depending on local and national laws. The approval process for spaza shop applications, particularly involving foreign nationals, often comes under scrutiny to ensure adherence to immigration regulations, business licenses, and zoning laws. The Department of Small Business Development seeks to promote a positive impact of spaza shops on the local economy through various upcoming initiatives.	The Department of Small Business Development has embarked on a process to verify the information that was provided including the criteria for approving applications for foreign nationals and geo-location of spaza shops to ease access and tracking. On the classification of disasters, the Head: NDMC on 07 March 2025, and after having deliberations with various organs of state and Heads of Provincial Disaster Management Centres, and after assessing the magnitude and severity of severe weather that resulted in disruptive rains, thunderstorms, floods and strong winds from 16 – 28 February 2025, that caused significant impact in KwaZulu-Natal, Eastern Cape, Free State, Mpumalanga, Limpopo, North-West and Gauteng Provinces, resulting in the loss of life, damage to property, infrastructure and the environment, as well as the disruption of basic services, classified the impact caused by this severe weather system as a National Disaster (by Notice No. 5968 in GG 52230)	Yes

Meeting Date	Resolution No.	Subject	Details	Response by the Department	Resolved (Yes/No)
			Additionally, the gap between the estimated total of spaza shops and the actual number of applications submitted raises concerns over oversight and monitoring, leading to inquiries about how unregistered shops are monitored and controlled. The issue of fronting, where local individuals act as proxies for foreign-owned businesses to bypass regulations, poses a significant challenge that needs to be tackled. Lastly, the Department of Cooperative Governance (DCoG) plays an essential role in ensuring that all spaza shop proprietors comply with regulations, necessitating enforcement strategies and cooperative efforts with local authorities.	The NDMC subsequently convened the NJFCC and coordinated the provision of immediate relief measures provided by the respective organs of state across the three spheres of government. On the 18th March, 29 municipalities in Limpopo, Free State, Mpumalanga, KwaZulu Natal, and Eastern Cape received a Disaster Recovery Grant amounting to R683 955 000.00. The impact and damage assessments were received; the verification process will be concluded on the 6th June 2025. The allocation of the provincial and municipal disaster response grants for the March 2025 classification will be affected in July 2025. The process was also affected by the delays in the approval of the 2025/26 budget.	

8. SCOPA RESOLUTIONS

During the 2024/25 financial year, the Department was not invited to appear before the Standing Committee on Public Accounts (SCOPA) for the Committee to decide on all the outstanding unauthorised expenditures of the Department that were submitted by the National Treasury relating to previous years. There were no resolutions that required implementation by the Department.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

The table below provides details regarding prior modifications to audit reports.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Qualified audit opinion: The qualification was based on the following: • Asset; • Goods; and • Services	2019/20	The departmental assets register has been reconstructed. A service provider was appointed to develop an Asset Management System. Additional controls have been implemented to ensure that goods and services are accurately accounted for and reported in the departmental records.

10. INTERNAL CONTROL UNIT

During the review year, the Internal Control Unit implemented the Post Audit Action Plan to address significant audit issues raised by the AGSA. The unit also prioritised resolving long-standing cases of irregular, fruitless, and wasteful expenditure.

11. INTERNAL AUDIT AND AUDIT COMMITTEES

The Internal Audit Function (IAF) is a fundamental component of the Department's governance and accountability system established through legal prescription imposed by the Public Finance Management Act (PFMA) read together with Treasury Regulation 3.2.2. Section 3.2.6 of the Treasury Regulations stipulates that internal audit must be conducted in accordance with the Standards™ set by the Institute of Internal Auditors. The IAF was guided by the International Professional Practices Framework® (IPPF®) published by the Institute of Internal Auditors (IIA); to act independently and objectively in providing assurance and advisory services in respect of the department's overall governance, risk management, and internal control processes. The IAF reports to the Audit Committee (AC) in accordance with the PFMA, a structure designed to uphold its independence and objectivity.

The Audit Committee is established by the Department as prescribed by the PFMA and its core functions and responsibilities are spelled out in the Treasury Regulations and the Audit Committee (Charter) approved by the Accounting Officer. It plays a pivotal role in assessing, and based on such assessment, advising the Accounting Officer and Executive Authority regarding:

- The effectiveness of DCoG's overall governance, risk management and internal control system;
- The effectiveness of DCoG Internal Audit Function;
- The adequacy, reliability and accuracy of financial and performance information produced by the Department;
- Accounting and auditing concerns identified through internal and statutory audits; and
- The Department's compliance with legal and regulatory provisions.

The Audit Committee thus assists the Department in enhancing its integrity and operational effectiveness through good governance and adherence to the legislative, accounting and auditing frameworks.

INTERNAL AUDIT

Purpose and mandate

The purpose of Internal Audit Function (IAF) is to provide internal audit and advisory services to the Department. The IAF is responsible for evaluating the control environment and assisting the Audit Committee (AC) to fulfil its responsibilities. During the financial year under review, the IAF also provided the AC and the Director-General (DG) with assurance on whether internal controls, risk management and governance processes are adequate and effective. The Chief Audit Executive reports administratively to the DG and functionally to the AC.

Vision and strategy

The Internal Audit Function is committed to providing a value-added, efficient, and effective internal audit service that is focused on continuous improvement. In doing so, it serves as a strategic management partner to the Department.

Charter, methodology and internal audit plans

For the period under review the IAF developed an Internal Audit Charter that was endorsed by the Accounting Officer and approved by the Audit Committee. The IAF carried out audit projects in accordance with the approved IAF methodology, which is aligned with the Institute of Internal Audit IPPF standards. In addition, it implemented an approved three-year rolling plan and the Annual Internal Audit Plan for the 2024/25 financial year.

Independence and objectivity

The IAF remained free from all conditions that could undermine its ability to carry out responsibilities in an unbiased manner, including, but not limited to, matters of audit selection, scope, performing work, and communicating results. It exhibited the highest level of professional objectivity in gathering, evaluating, and communicating information about the activities and processes being examined. Furthermore, the IAF upheld an impartial and unbiased stance when conducting internal audit services and making related decisions.

Internal audit modality

During the period under review, the IAF was not fully resourced and relied on a panel of service providers for co-sourced internal audit and forensic services. The panel included:

- FTMG Corporation Advisory Services
- HTB Consulting
- Rain Chartered Accountants Inc.
- MMB Consulting Inc.
- Thabi Consulting CC.

Staffing

The IAF had a total staff complement of eight funded positions and two of these positions were vacant during the reporting period. The Chief Audit Executive position was filled on 01 July 2024. The recruitment process for the two vacant positions was concluded at the end of the financial year under review. Collectively, the internal audit staff have the required experience and skills to render internal audit services. The internal audit staff took part in professional development training provided by the Institute of Internal Auditors (IIA) of South Africa to further enhance their proficiency.

Quality assurance and improvement programme

The International Standards for the Professional Practice of Internal Auditing ("Standards") prescribes that an External Quality Assessment of the Internal Audit Function (IAF) must be conducted every five years by a qualified, independent assessor or assessment team from outside the organisation. During the year under review, the IAF – through Supply Chain Management - embarked on the process of procuring a Certified Independent Assessor, Nexia SAB&T, to conduct the External Quality Assessment for the DCoG IAF.

The quality assessment involved a thorough review of the following:

- Assessed the conformance of the DCoG's Internal Audit Function (IAF) to the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing (SPPIA/Standards), the definition of Internal Auditing, the mission statement/core principles and the Code of Ethics.
- Evaluation of the efficiency and effectiveness of the IAF in carrying out its mission by assessing the IAF's governance procedures, its staff, key stakeholders, processes and the management practices implemented.
- Identified opportunities to enhance the IAF's management of resources and work processes and offered recommendations for the improvement of the IAF and amongst other things to:
  - Non-conformance with either the Standards or the Code of Ethics.
  - Highlight successful internal audit practices and noteworthy strengths that are in place.
  - Enhancement and promotion of the IAF's image and credibility.

The review concluded that DCoG's Internal Audit Function (IAF) is in general conformance with the Standards for the Professional Practice of Internal Auditing (IIA Standards) and the Code of Ethics

Stakeholder relationships

The IAF maintained good stakeholder relationships with DCoG Management, AGSA audit team and other Combined Assurance providers namely, Risk Management, Strategic Support, Internal Control, Legal Services and Finance. Furthermore, the IAF maintained good stakeholder relationships with the oversight committees, namely Risk Management and Audit Committee.

Summary of audit work done

- **Planned and completed audits**

The IAF successfully completed 19 out of 20 audit projects outlined in the Annual Internal Audit Plan. These included follow-up audits aimed at monitoring the implementation of management's corrective actions in response to audit findings raised by both the AGSA and Internal Audit.

When conducting the audits, the IAF evaluated the adequacy and effectiveness of controls regarding the:

i. Achievement of the DCoG's strategic outcomes;

ii. Reliability and integrity of financial and operational information;

iii. Effectiveness and efficiency of operations;

iv. Safeguarding of assets; and

v. Compliance with the laws, regulations, policies, procedures and contracts.

Ad hoc projects

The IAF carried out two ad hoc projects, both of which were approved by the Audit Committee. These projects relate to probity on Tender CoGTA (T) 2024/25 and a forensic investigation on an unrelated matter.

Internal audit recommendations

The significant findings noted on different audits should be monitored by management on a regular basis, to ensure that agreed management action plans are implemented to mitigate actual or potential risks which may affect the achievement of the department's objectives.

Management is required to develop and carry out Post-Audit Action Plans within their areas of responsibility by the planned due date. This process aims to enhance the control environment and ensure that sufficient evidence supports any progress reported in addressing identified findings or control deficiencies.

Value add

Multiple instances of added value were noted during several quarterly audits, as reflected by Auditee Satisfaction survey results, which were generally positive with ratings from "fully effective" to "above satisfaction".

Limitations

During quarter 2 of the MIG project and quarter 3 of the 2024/25 financial year, there were some limitations in scope concerning the follow-up audit. Specifically, the portfolio of evidence required to verify the implementation of agreed-upon action plans was not made available for review.

Key activities and objectives of the Audit Committee

- **Purpose and mandate**

The Audit Committee played a crucial role in overseeing the Department's governance, risk management, and internal control practices throughout the period under review. This oversight mechanism played a crucial role in reinforcing trust in the integrity of organisational practices. The Audit Committee fulfilled its responsibilities by delivering independent oversight, monitoring, and advisory services to the Accounting Officer, management, and Executive Authority.

In terms of section 38(1)(a)(i) & (ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) and Treasury Regulations 3.1.2, the Accounting Officer is responsible for the establishment of an effective Internal Audit Activity and Audit Committee. The Audit Committee operated in accordance with regulations and instructions prescribed in terms of section 76 (4) (d) and 77.

- **Independence**

The Audit Committee serves as an independent oversight body, consisting of non-executive members who brought a broad range of expertise to the Department. The committee provides guidance to the Accounting Officer on governance, risk and internal controls.

Throughout the reporting period, the Audit Committee was granted unrestricted access to the Department.

- **Protecting the independence of the internal audit function**

The Audit Committee reviewed and approved the Internal Audit Charter following its submission to the Director-General for recommendation or acceptance. The Internal Audit Charter outlines the positioning of the Internal Audit Function. Additionally, the Audit Committee participated in the recruitment process for the Chief Audit Executive position.

- **Performance against statutory duties**

The AC fulfilled its functions and responsibilities as set out in the PFMA, Treasury Regulations, Global Internal Audit Standards™ and the AC charter.

- **Composition of the audit committee**

The DCoG Audit Committee is composed of five members, including the Chairperson of the Risk Management Committee. The committee comprises individuals with an appropriate combination of expertise, skills, and experience necessary to effectively execute their oversight responsibilities.

- **Meeting attendance**

During the period under review, a total of eight Audit Committee meetings were held.

- **Combined assurance**

The Committee has reviewed and recommended the approval of the Combined Assurance Framework and the Combined Assurance Plan for the 2024/25 financial year. Additionally, the Committee ensured the implementation of a Combined Assurance Model to facilitate a coordinated approach to all assurance activities.

- **Resolution of Audit Committee recommendations**

The AC is satisfied that its recommendations are received and implemented by the Department.

- **Audit committee performance evaluation**

During the reporting period, the Audit Committee undertook its annual evaluation to assess its performance and effectiveness. Additionally, management and AGSA performed a comprehensive 360-degree on the performance and effectiveness of the Committee.

Attendance of Audit Committee meetings by Audit Committee members

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Dr P Dala (Chairperson)	• PhD (Information Technology) • Masters (Information Technology) • BSc Hons (Computer Science) • Bachelor of Information Technology • Chartered Director South Africa CD(SA) • Certified Information Systems Auditor (CISA) • Certified in the Governance of Enterprise Information Technology (CGEIT) • Certified in Risk and Information Systems Control (CRISC) • Certified Information Security Manager (CISM) • Certified Information Systems Security Professional (CISSP) • Certified Data Privacy Solutions Engineer (CDPSE) • Lead Auditor ISO 27001 (LA ISO 27001) • Certified Ethical Hacker (CEH) • Computer Hacking Forensic Investigator (CHFI)	• ISACA • IoDSA • ISC2 • EC-Council	• Initial appointment: 01 July 2020 • 2nd term appointment: Chairperson 01 July 2023	30 June 2026	8	Yes	No	14	9

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Ms C Abdoll	• Chartered Accountant, CA (SA) • Post Graduate Diploma: Certified Internal Auditing, Institute of Internal Auditors • Certificate in the Theory of Accounting, UNISA • B Compt Honours, UNISA • B Com, University of the Western Cape	• SAICA • IOD (SA) • IIA	• Initial appointment: 14 May 2021 • 2nd term appointment: 15 May 2024	15 May 2027	8	Yes	No	6	• 3 boards (2 included in previous column) • 1 Trust
Mr L. Makibinyane	• Degree in Bachelor of Engineering with Honours, • Post Graduate Certificate Management Development, • Master of Business Leadership (MBL)	• Institute of Chemical Engineers IChemE) • Institute of Directors South Africa (IoDSA)	• Initial appointment: 01 July 2020 • 2nd term appointment: 01 July 2023	30 June 2026	8	Yes	No	None	2
Mr S Gounden	• Chartered Accountant (SA) • Chartered Director (SA) • B. Compt. • Post-graduate • Diploma in Accountancy • (CTA) • Certificate in Forensic Accounting and Fraud Examination	• Institute of Directors South Africa (IoDSA) • The South African Institute of Chartered Accountants (SAICA)	• Initial appointment: 14 May 2021 • 2nd term appointment: 15 May 2024	15 May 2027	8	Yes	No	3	3

Name	Qualifications	Professional Affiliation (e.g. SAICA, IIA, IOD(SA))	Appointment: Term of Office		No. of meetings attended 2024/25	Has the AC member declared private and business interests in every meeting? (Yes/No)	Is the AC member an employee of an organ of state? (Yes / No)	No. of other ACs that the member served on during the reporting period (whether in the public sector or not)	No. of other governance structures the member served on during the reporting period, e.g. Boards, Risk Committee, IT Committee, etc, whether in this or any other institution(s)
			Start date	End Date					
Ms NP Lubanga	• Master in Business Administration • Professional Culinary Arts • Professional Patisserie Arts • Postgraduate Diploma in General Management • Postgraduate Diploma in Internal Auditing • Executive Development Programme (EDP) • BCom: Internal Auditing • Internal Audit Quality Assessor/ Validator • Certificate: Internal Control and Risk Management • National Diploma: Internal Auditing	• IIA • IRMSA • Compliance Institute of SA • IoDSA • Chef SA Association	• Initial appointment: 01 July 2020 • 2nd term appointment: • 01 July 2023.	30 June 2026	8	Yes	No	5	1

Remuneration of Audit Committee members

- Rates
  - The Audit Committee and Risk management chairperson receives remuneration at a rate of R3,500.00 per hour for attending meetings, with an additional allocation of four hours for preparation of quarterly meetings and two hours for Special Audit Committee meetings.
  - The Audit Committee members are remunerated R3 275,00 per hour for attending meetings, with an additional allocation of four hours for preparation of quarterly meetings and two hours for Special Audit Committee meetings.
- None of the Audit Committee members worked for an organ of state during the reporting period.
- Total Audit Committee expenditure for the reporting period.
  - The total remuneration of the Audit Committee members for the 2024/25 financial year amounts to R978,228.04. This figure includes compensation for the Risk Management committee chairperson, who also serves as a member of the Audit Committee.

12. AUDIT COMMITTEE REPORT

The Audit Committee has the pleasure of presenting its report for the financial year ended 31 March 2025, outlined in the following three sections:

Part 1: 2024/25 Audit Committee Reflections

The Audit Committee is established as a statutory advisory committee in terms of sections 38 (1) (a) (ii), 76 (4) (d) and 77 of the Public Finance Management Act (PFMA) as well as Treasury Regulation 3.1.1 to 3.1.16. The purpose of the Audit Committee in accordance with Treasury Regulation 3.1.10 and 3.1.11 is to provide independent oversight in relation to the financial and non-financial (performance information, information communication technology, risk management, human resource management, legal and compliance) information, risk management, governance, internal control, accounting and audit concerns, compliance with legal and regulatory provisions, investigation matters as well as the activities of internal and external auditors. Our values as an Audit Committee are founded on the principles of strategic ethical leadership and focus with a strong emphasis on independence, objectivity, transparency, performance and an unwavering commitment to fostering a culture of accountability.

To ensure the independence of the Audit Committee, all members were appointed from outside the public service. At the commencement of each meeting, members are required to declare any potential conflicts of interest. The Audit Committee reports directly to the Accounting Officer and has unrestricted access to the Executive Authority and the Auditor-General South Africa (AGSA), further reinforcing its independent role. During the reporting period, the Audit Committee operated without any interference and maintained constructive, professional relationships with Management, the Accounting Officer, the Executive Authority, and key assurance providers, including Risk Management, Internal Audit, and the AGSA.

The Chief Audit Executive (CAE) reports functionally to the Audit Committee in accordance with the Global Internal Audit Standards (GIAS) and Treasury Regulation 3.2.6. The CAE has unrestricted access to the Audit Committee and may engage directly, including in private meetings without Management present. The Audit Committee also approves the Internal Audit Charter, which, among other provisions, defines the internal audit mandate, safeguards independence, and outlines the scope and nature of internal audit services. Additionally, the Audit Committee reviews and approves the risk-based three-year rolling and annual audit plans, as well as any ad-hoc assurance or advisory requests received from Management.

The Audit Committee fully understands and has embedded the requirements of the GIAS by overseeing the revision of the Audit Committee Charter and Internal Audit Charter. Furthermore, the Audit Committee ensured that the Chief Audit Executive initiated a process to achieve full compliance with the GIAS, which included reviewing the Internal Audit Methodology and developing the Internal Audit Strategy.

The Audit Committee has fulfilled its responsibilities in accordance with sections 38(1)(a)(ii), 76(4)(d), and 77 of the Public Finance Management Act (PFMA), as well as Treasury Regulations 3.1.8 to 3.1.16. The Committee also adopted formal terms of reference as its Charter and has managed its affairs in full compliance with this Charter, effectively discharging all responsibilities contained therein. In addition, evaluations of the Audit Committee, the Internal Audit function, and the Finance function were conducted during the reporting period, with no significant matters identified.

Part 2: Audit Committee Composition and Meeting Attendance

The Audit Committee consists of 5 independent members and is properly constituted, with a balanced representation of independent members with a diverse and appropriate mix of qualifications, skills, and experience. The committee convened 8 times during the year, with 4 being ordinary meetings and the remainder special meetings. The detailed Audit Committee composition and meeting attendance is provided below:

Name (Position)	Qualifications	Is the AC member an employee of an organ of state? (Yes / No)	Number of ordinary meetings attended	Number of special meetings attended
Dr P Dala (Chairperson)	• PhD (Information Technology) • Masters (Information Technology) • BSc Hons (Computer Science) • Bachelor of Information Technology • Chartered Director South Africa CD(SA) • Certified Information Systems Auditor (CISA) • Certified in the Governance of Enterprise Information Technology (CGEIT) • Certified in Risk and Information Systems Control (CRISC) • Certified Information Security Manager (CISM) • Certified Information Systems Security Professional (CISSP) • Certified Data Privacy Solutions Engineer (CDPSE) • Lead Auditor ISO 27001 (LA ISO 27001) • Certified Ethical Hacker (CEH) • Computer Hacking Forensic Investigator (CHFI)	No	4	4
Ms NP Lubanga (Member and Risk Management Committee Chairperson)	• Master in Business Administration (MBA) • Professional Culinary Arts • Professional Patisserie Arts • Postgraduate Diploma in General Management • Postgraduate Diploma in Internal Auditing • Executive Development Programme (EDP) • BCom: Internal Auditing • Internal Audit Quality Assessor/Validator • Certificate: Internal Control and Risk Management • National Diploma: Internal Auditing	No	4	4
Mr L Makibinyane (Member)	• Degree in Bachelor of Engineering with Honours • Post Graduate Certificate Management Development • Master of Business Leadership (MBL)	No	4	4
Ms C Abdoll (Member)	• Chartered Accountant, CA (SA) • Certified Internal Auditing (CIA) • Certificate in the Theory of Accounting • B Compt Honours • B Com	No	4	4
Mr S Gounden (Member)	• Chartered Accountant (SA) • Chartered Director (SA) • B. Compt. • Post-graduate Diploma in Accountancy (CTA) • Certificate in Forensic Accounting and Fraud Examination	No	4	4

Part 3: Audit Committee Focus Areas

The key focus areas addressed by the Audit Committee during the reporting period are detailed below.

Effectiveness of the Internal Control Systems

An assessment of the findings raised by Internal Audit, along with the audit and management reports submitted to the Audit Committee by the AGSA, indicates that the internal control systems are generally adequate and partially effective, requiring improvement. Consequently, the Audit Committee has identified the following key areas of concern that should be addressed by the Department:

- Asset Management;
- Community Work Programme (CWP);
- Compliance Monitoring;
- Expenditure Management - Unauthorised and irregular expenditure;
- ICT;
- Procurement and contract management; and
- Rate of implementation of audit action plans emanating from Internal Audit and AGSA findings.

Effectiveness of the Internal Audit Function

The Audit Committee welcomed the appointment of the Chief Audit Executive effective from the 1st of July 2024 and commends Internal Audit for achieving the highest possible rating of "General Conformance" during the mandatory external quality assurance review. The Audit Committee is satisfied that Internal Audit provided independent assurance in terms of governance, risk management, and internal control as per the approved risk-based audit plan. At the end of the financial year, the following audit engagements had been completed as per the approved risk-based audit plan:

- Annual Financial Statements Review;
- Annual Performance Information Report Review;
- Audit of Performance Information (Q1 and Q2);
- CWP Policy Review;
- Cyber Security Review;
- Follow-Up Audits (AGSA and internal audit findings);
- ICT General Controls Review;
- Interim Financial Statements Review;
- Municipal Infrastructure Grant (MIG) Review;
- Procurement Process Review;
- AGSA PAAP Adequacy Review;
- Review of the Revised 2024/25 Annual Performance Plan;
- Results Management Office Audit;
- Review of the draft 2025-2030 Strategic Plan (SP) and 2025-2026 Annual Performance Plan (APP); and
- Risk Management Audit.

Effectiveness of Risk Management, Anti-Corruption and Fraud, Ethics, Combined Assurance, Compliance Management and Business Continuity Management

The Risk Management Committee is in place within the Department and is independently Chaired by a member of the Audit Committee. Through the reports received from Risk Management Committee, the Audit Committee executed its oversight responsibilities in relation to the enterprise risk management mandate, which included risk management, anti-corruption and fraud, ethics, combined assurance, compliance management, and business continuity management. The Audit Committee is satisfied with the continued improvement in the maturity of the risk management processes evidenced by the increased implementation of the risk mitigation actions by the respective risk owners. The policies associated with all aspects in risk management mandate are in place with improvement required to ensure effective implementation of anti-corruption and fraud, ethics, combined assurance, compliance management, and business continuity management.

The Quality (Adequacy, Reliability and Accuracy of Financial and Performance Information) of the In-Year Management and Quarterly Reports

The Department has reported quarterly to the National Treasury and the Executive Authority as is required by the PFMA. The Audit Committee as well as assurance providers provided Management with recommendations to improve the quality of quarterly, and where applicable, annual financial and non-financial reporting (performance information, information communication technology, risk management, human resource management, legal and compliance) during the year under review.

Evaluation of the Annual Financial Statements and Annual Report

In terms of the evaluation of the Annual Financial Statements and Annual Report, the Audit Committee has reviewed the:

- Unaudited annual financial statements, with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by management;

- Changes in accounting policies and practices where applicable;
- Compliance with legal and regulatory provisions;
- Basis for the going concern assumption, including any financial sustainability risks and issues;
- Unaudited annual performance information on predetermined objectives with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by Management;
- AGSA audit and management reports, taking into account Management's responses to the unqualified audit opinion with material findings on compliance with legislation relating to asset management and expenditure management; and
- Audited annual financial statements as well as the annual performance information on predetermined objectives to be included in the annual report for any significant adjustments resulting from the external audit process and reported to the Accounting Officer.

External Audit

With regards to the AGSA, the Audit Committee reviewed and considered the following matters during the reporting period:

- The proposed audit scope, approach, and audit fees for the year as detailed in the audit strategy and engagement letter;
- The AGSA findings and recommendations, together with Management's responses;
- The formulation of an audit action plan by Management to address the root causes of the AGSA findings with monitoring to take place at both the audit steering committee and executive committee levels to prevent the recurrence of findings;
- Monitored the implementation of the AGSA audit action plan on a quarterly basis;
- The level of coordination between AGSA and Internal Audit;
- Private meetings held with the AGSA to discuss matters deemed appropriate for confidential discussion by either party;
- The existence of any unresolved disputes between Management and AGSA; and
- The quality and effectiveness of the external audit process.

AGSA Report

The Audit Committee concurs with the conclusions of the AGSA on the annual financial statements and is of the opinion that the audited annual financial statements may be read together with the audit report of the AGSA.

Conclusion

The Audit Committee would like to express our appreciation to the Executive Authority and Accounting Officer for their leadership and support as well as all other assurance providers, and most importantly commend the Department for maintaining the unqualified audit opinion. The Audit Committee implores management to address the aforementioned concerns raised by Audit Committee as well as the audit findings identified by Internal Audit and the material findings identified by AGSA relating to compliance, by addressing the root cause of the control deficiencies in pursuit of a clean audit outcome (unqualified with no material findings).

P.Dala

Dr. P Dala

Chairperson of the Audit Committee

Department of Cooperative Governance

Date: 12 August 2025

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response Yes / No**	**Discussion** **(include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not applicable
Developing and implementing a preferential procurement policy?	Yes	The departmental Supply Chain Management Policy is aligned with Section 10 of the B-BBEE Act of 2013 and the Preferential Procurement Regulations, 2022 to ensure compliance. The department is in the process of finalizing a Preferential Procurement policy which is separate from Supply Chain Management Policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	The Department does have the capacity to enter into strategic partnerships with the private sector, as evinced by MoUs we have signed. What the Department may need to do is to come up with the criteria used to determine these partnerships.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable

PART D

HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

This section of the Annual Report contains information prescribed by the Minister for Public Service and Administration. Furthermore, it provides details regarding an overview of the Department's human resources.

2. OVERVIEW OF HUMAN RESOURCES

The status of human resources in the Department

The Department has faced a decline in the CoE for a period of over 10 years now, which affects its ability to do more in relation to executing its mandate. As a result of the decline in CoE, staff members are required to work longer hours, which negatively impacts their work-life balance, psychosocial well-being, and may lead to increased stress levels. This may influence the Department's ability to meet its targets if an increasing number of employees become ill and are unable to work at their usual capacity. The Department initiated an organisational structure review in the 2024/25 financial year. However, full implementation may be hindered by the lack of the CoE.

Human resource priorities for the year under review and the impact of these

The Department embarked on an organisational structure review, which resulted in identifying many gaps that existed where some critical legislated functions were omitted and some were misaligned. In addressing the glaring gaps, the Department reorganised the following functions:

The function of the Community Work Programme (CWP) was separated from the Branch: Local Government Operations Support (LGOS) and re-established as a stand-alone Branch. The post of Deputy Director-General: CWP was created and 27 posts previously responsible for the programme were transferred accordingly. The Municipal Infrastructure Grant Administration function, consisting of 14 posts, was transferred from Branch: Policy Governance and Administration (PGA) to Branch: LGOS, which constitutes 65 posts.

The function of Strategic Support and Internal Monitoring, Reporting and Evaluation was separated from the Executive Support in the Office of the Director General. The post of Chief Director Strategic Planning and Internal Monitoring, Reporting and Evaluation and Director: Internal Monitoring and Evaluation were created. The vacant Chief Director: Gender Mainstreaming and Stakeholder position was abolished to create the Chief Director: Strategic Planning and Internal Monitoring, Reporting and Evaluation, with two directorates of Strategic Planning and Reporting and Internal Monitoring and Evaluation. Gender mainstreaming will be managed at a directorate level.

Excess staff were appointed to vacant posts and posts were created for the remaining excess staff. The approved organisational structure caters for all posts and there are three SMS excess staff who should be placed where there are vacant posts that align with their qualifications and experience. At the end of the reporting period, the Department had 49 vacancies in its 497 funded posts establishment, resulting in a vacancy rate of 9.86%. It should be noted that this includes 4 vacancies in the Office of the Minister, which are funded on the PERSAL Establishment, but not part of the approved organisational structure. These posts in the Ministry are filled in line with the Guide for Members of the Executive.

There is active centralisation of HR Information for real-time access to management information. Through the continued use of Microsoft Office technology and applications, further progress has been made in the centralisation, accessibility and consolidation of HR information. During the reporting period, the Recruitment Tracking Tool was further enhanced to monitor compensation of employees' budget. In addition to this, the PERSAL establishment report was enhanced to include a headcount analysis, which included vacancy rate, age analysis and departmental EE reporting that contains disaggregated data per programme and employment category to enhance HR planning efforts. Furthermore, the Department continued to scan personnel files and digitise them.

The above progress has allowed for more frequent reporting to various governance structures, as well as faster retrieval times of personnel records. Additionally, through collaboration with the Communications Unit, a central site was created for new joiners to centrally access all the necessary forms, policy guidelines and introductory information. A Notice of Change mailbox was also created to communicate changes in staffing with all of Programme 1 and the affected business functions for all units to amend their necessary databases and stay abreast of departmental staffing matters.

The Department planned to implement 90% of the interventions in the Workplace Skills Plan (WSP). However, 30 out of 31 training interventions were implemented, translating to 96%, which is considered a significant improvement. The training programmes interventions implemented were, amongst others, Service Delivery Innovation, Executive

Development Programme (EDP): Finance Management and Budgeting, Personal Mastery, Emotional Intelligence, Executive Induction Programme (EIP), Compulsory Induction Programme (Levels 13-14), Compulsory Induction Programme (Levels 6-12), Client Orientation and Customer Focus, Diversity Management, People Management and Supervisory Skills, Excel Basic, Excel Intermediate and Excel Advance, Protection of Personal Information Act (POPIA) Training, Occupational Health and Safety (OHS) Committee Training, and Skills Development Committee Course. Attendance included participation in Continuing Learning and Professional Development activities, specifically the 27th South African Institute of Architects (SAIA) Hybrid Conference and the Knowledge Management South Africa (KMSA) Imbizo.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The reporting period saw a change of political leadership and the transitioning out of the 6th Administration into the 7th Administration. This leadership change cemented the efforts made by the Department in the previous reporting year, with a clear and consistent directive to ensure that each municipality works.

The Department of Public Service and Administration's Circular 49 of 2023 was extended into the reporting year, placing a moratorium on recruitment, unless concurrence was granted by the Minister for Public Service and Administration with support from the Chief Financial Officer. Compounded by the lack of compensation of employee's budget, this requirement had a significant impact on the department's ability to fill its vacant positions.

The moratorium, however, created an opportunity for greater prioritisation and prompted line functions to undertake a critical assessment of the value contributed by certain positions. It further compelled the Department to consider other resourcing strategies such as short-term contracting to address seasonal demand, secondments and transfers, as well as cross-functional internal project teams. To obtain concurrence from the Minister of Public Service and Administration (MPSA), line managers were required to understand the risk of not filling the posts, other resource strategies they could employ, and identify processes where efficiencies and duplications needed to be eliminated. Despite the moratorium and its challenges, new staff appointments were made through the recruitment process, ensuring the vacancy rate is maintained below 10%.

In the reporting year, the Minister of Finance announced the Proposed Early Retirement Programme take effect in the 2025/26 financial year. The Department identified multiple risks associated with this proposed Programme, inter alia: the loss of institutional memory and competency, significant business disruption, as well as a regression in stakeholder trust and effective operations owing to changes in resources and re-orientation. This potential mass exodus of staff, especially Senior Managers in line functions, require targeted succession interventions. There is a total of 61 employees (excluding Ministry Staff) who are over the age of 55 and eligible for early and normal retirement. The Department commenced with the development of its succession planning strategy which will be refined as soon as the provisions and limitations of the Early Retirement Programme are announced.

The Department continues to employ social media platforms such as LinkedIn to announce its vacancies and attract professional new joiners. The effective departmental Branding and Communication Strategy has ensured a great number of traffic to the departmental website and social media platforms, which creates visibility and attracts more applicants. This high level of interest however, comes at a significant cost to recruitment with limited internal capacity for managing responses. The procurement process is at an advanced stage to augment this capacity, with ICT engagements kick-started to support the development of an electronic recruitment response-handling system in the coming year.

The reporting year also saw the introduction of the DPSA's Human Resource Development Professionalisation Directive, which came into effect on 01 April 2024. This Directive relaxed entry requirements for lower-level posts below Level 6 and entrenched ethical conduct as a vital component in the selection processes. Fortunately, the Department's recruitment processes already make provision for the technical tests, selection panel composition, competency-based testing and pre-screening verification of citizenship, criminal, and qualification. New requirements, such as disciplinary record verification, further enhance the recruitment process and promote a professional and ethical Public Service. These requirements have, however, necessitated the review of the recruitment and selection policy and an evaluation of inefficiencies in the recruitment process to arrive at a more streamlined internal process. The reviewed and approved policy also provides observer status to Organised Labour for posts at Levels 1-12, from shortlisting to interviews, to enhance the integrity of the process and promote fairness and transparency of selection efforts.

Employee Performance Management

In the 2024/25 financial year, staff members were assessed and moderated against what they contracted upon. Those who were eligible and qualified were rewarded through the pay progression incentive as per the Incentive Policy framework. It is important to note that the performance bonus incentive has been phased out as of the 2021/22 financial year. The Department strives to ensure 100% compliance with performance contracting at all levels.

Employee Wellness Programmes

To promote and improve the psycho-social well-being of employees, the Department offers a comprehensive range of wellness services aimed at supporting mental, emotional, and physical health. A 24-hour wellness support service is available to provide confidential assistance for both personal and work-related challenges. Holistic wellness initiatives are regularly implemented and include voluntary health screenings, HIV and AIDS counselling and testing, as well as financial wellness programmes to support overall employee well-being. Mental health is prioritised through targeted interventions such as stress management sessions designed to help employees cope with workplace pressures and enhance emotional resilience.

Health awareness is continuously promoted through the distribution of informative posters and articles across internal communication platforms. To foster a safe and respectful work environment, a Harassment Policy has been introduced, complemented by educational sessions on reporting and addressing workplace complaints. The Department ensures ongoing promotion of its wellness services through various internal platforms, encouraging employee participation and engagement. Additionally, employees are encouraged to disclose disabilities annually, allowing for appropriate support and reasonable accommodation in the workplace.

Highlight achievements and challenges faced by the Department, as well as future human resource plans or goals

- Effective transitioning between Administrations from the 6th to the 7th and capacitation of the 7th Administration in line with the Guide for Members of the Executive.
- Reviewed and Amended Delegations of Authority, both by the new Executive Authority to the DG, as well as from the DG to Performer Levels, to promote accountability and faster decision-making.
- Achievement of vacancy rate below 10%.
- Digitisation of all active personnel records.
- Review and approval of policies, including Recruitment and Selection, Acting Appointments and Working Hours, Overtime Remuneration and Emergency Work.
- Appointment of a service provider to assist employees 24/7 through face-to-face and online counselling.
- Conducted workshops on Employee Health and Wellness.
- Successfully implemented 96% of the training interventions outlined in the Workplace Skills Plan. These interventions included generic training, technical training, and continuous professional development programmes. Furthermore, the training was delivered to both group and individual participants.

The challenges faced by the Department are as follows:

- Due to fiscal constraints, neither the internship nor learnership programmes were implemented during the reporting period.
- The moderation of the DDGs has not been completed yet due to the unavailability of external panel members, who are DGs from other sector departments. Efforts are underway to secure suitable replacements in order to advance the process and address the backlog.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

The human resources oversight statistics of the Department of Cooperative Governance are outlined in this section.

3.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- Amount spent on personnel.
- Amount spent on salaries, overtime, homeowner's allowances, and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2024 to 31 March 2025:

Programme	Total expenditure	Personnel expenditure	Training expenditure	Professional and special services expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee
	(R'000)	(R'000)	(R'000)	(R'000)	%	(R'000)
Administration	362 521	173 661	1 744	7 679	47.90%	755
Intergovernmental Support	18 756 416	71 630	0	0	0.38%	895
Intergovernmental Policy and Governance	99 843 704	75 644	0	41 593	0.08%	922
National Disaster Management Centre	2 011 711	27 905	0	891	1.39%	997
Community Work Programme	3 338 821	23 839	0	66 212	0.71%	795
Total	**124 313 173**	**372 679**	**1 744**	**116 375**	**0.3%**	**828**

Table 3.1.2 Personnel costs by salary band for the period 1 April 2024 to 31 March 2025:

Salary band	Personnel expenditure	% of total personnel cost	No. of employees	Average personnel cost per employee
	(R'000)			(R'000)
Lower skilled (Levels 1-2)	368	0%	2	184
Skilled (Levels 3-5)	18 930	5%	64	296
Highly skilled production (Levels 6-8)	56 313	15%	113	498
Highly skilled supervision (Levels 9-12)	142 654	38%	168	849
Senior and Top Management (Levels 13-16)	154 414	41%	103	1 499
Total	**372 679**	**100%**	**450**	**828**

Table 3.1.3 Salaries, Overtime, Homeowners Allowance and Medical Aid by programme for the period 1 April 2024 to 31 March 2025:

Programme	Salaries		Overtime		Homeowners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	149 305	86%	328	0.19%	3 298	1.90%	5,621	3.24%
Intergovernmental Support	69 424	97%	0	0.00%	1 094	1.53%	1,698	2.37%
Intergovernmental Policy and Governance	59 003	78%	22	0.03%	947	1.25%	1,871	2.47%
National Disaster Management Centre	24 847	89%	0	0.00%	265	0.95%	302	1.08%
Community Work Programme	20 773	87%	55	0.23%	490	2.06%	566	2.37%
Total	**323 352**	**87%**	**405**	**0.11%**	**6 094**	**1.64%**	**10 058**	**2.70%**

Table 3.1.4 Salaries, Overtime, Homeowners Allowance and Medical Aid by salary band for the period 1 April 2024 to 31 March 2025:

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (Levels 1-2)	18	5%	0	0.00%	0	0.00%	0	0.00%
Skilled (Levels 3-5)	15 316	81%	81	0.43%	1 203	6.35%	2 187	11.55%
Highly skilled production (Levels 6-8)	43 356	77%	237	0.42%	2 407	4.27%	4 420	7.85%
Highly skilled supervision (Levels 9-12	124 538	87%	87	0.06%	1 654	1.16%	2 681	1.88%
Senior management (Levels 13-16)	140 124	91%	0	0.00%	830	0.54%	770	0.50%
Total	**323 352**	**87%**	**405**	**0.11%**	**6 094**	**1.64%**	**10 058**	**2.70%**

Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts in the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme
- Salary band
- Critical occupations (see definition in notes below).

In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1 Employment and vacancies by Programme as of 31 March 2025:

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	261	235	10%	5
Local Government Operations and Support	70	66	6%	1
Policy, Governance and Administration	93	82	12%	0
National Disaster Management Centre	34	28	18%	0
Community Work Programme	28	26	7%	1
Total	**486**	**437**	**10%**	**7**

**The information in table 3.2.1 excludes Minister, Deputy Minister and two Special Advisers*

Table 3.2.2 Employment and vacancies by salary band as of 31 March 2025:

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0	0	0%	0
Skilled (3-5)	69	63	9%	2
Highly skilled production (6-8)	121	112	7%	0
Highly skilled supervision (9-12)	184	164	11%	4
Senior management (13-16)	112	98	13%	1
Total	**486**	**437**	**10%**	**7**

**Table 3.2.2 above excludes Minister, Deputy Minister and two Special Advisers.*

As of 31 March, the total Senior Management Service (SMS) posts funded on PERSAL amounted to 117. However, the following must be excluded: the Minister, Deputy Minister, two Special Advisors, and one additional SMS in Administration, resulting in a total of 112. Of the 99 filled SMS posts, the same five positions are excluded. Filled posts are calculated as the funded posts less those additional to the establishment, broken down by salary band (employment category).

Table 3.2.3 Employment and vacancies by critical occupations as of 31 March 2025:

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Senior management	112	98	13%	1
Total	**112**	**98**	**13%**	**1**

The total funded SMS posts (Levels 13–16) amount to 117. However, excluding the Minister, Deputy Minister, two Special Advisors, and one additional SMS post, the total approved SMS posts stand at 112. The total number of posts filled on PERSAL are 103; excluding the same five positions (Minister, Deputy Minister, two Special Advisors, and one additional SMS) reduces this number to 98. It is important to note that there is only one additional SMS post, excluding the two Special Advisors.

3.3 Filling of SMS Posts

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1 SMS post information as of 31 March 2025:

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	6	4	67%	2	33%
Salary Level 14	28	23	82%	5	18%
Salary Level 13	77	70	91%	7	9%
Total	**112**	**98**	**88%**	**14**	**13%**

** Re-instatement of Chief Director previously dismissed from service.

As per the PERSAL establishment, there are a total of 11 funded posts at Levels 15–16. This includes the Director-General, the Minister, the Deputy Minister, two Special Advisors, and six Deputy Director-General (DDG) posts, of which four are currently filled.

At Level 13, there are 78 funded posts reflected on PERSAL. Of these, 70 are filled, one is an additional post, and seven remain vacant.

Table 3.3.2 SMS post information as of 30 September 2024:

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	0%
Salary Level 16	0	0	0%	0	0%
Salary Level 15	5	4	80%	1	20%
Salary Level 14	28	26	93%	2	7%
Salary Level 13	80	69	86%	11	14%
Total	**114**	**100**	**88%**	**14**	**12%**

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2024 to 31 March 2025:

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	3	0	0
Salary Level 13	0	0	0
Total	**3**	**0**	**0**

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2024 and 31 March 2025

Reasons for vacancies not advertised within six months
None

Reasons for vacancies not filled within twelve months
The recruitment process for one position at salary level 14 is currently at the interview stage. The process for two additional positions at the same salary level was postponed due to panel members not being available to complete the shortlisting. All three positions are expected to be filled in the 2025/26 financial year.

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2024 to 31 March 2025:

Reasons for vacancies not filled within six months
None

Reasons for vacancies not filled within twelve months
None

Job Evaluation

The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1 Job Evaluation by Salary Band for the period 1 April 2024 to 31 March 2025

There five SMS posts evaluated during the period under review.

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels1-2)	0	0	0%	0	0%	0	0%
Skilled (Levels 3-5)	71	0	0%	0	0%	0	0%
Highly skilled production (Levels 6-8)	121	0	0%	0	0%	0	0%
Highly skilled supervision (Levels 9-12)	188	0	0%	0	0%	0	0%
Senior Management Service Band A	78	2	2.6%	0	0%	0	0%
Senior Management Service Band B	28	1	3.6%	0	0%	0	0%
Senior Management Service Band C	6	2	33%	0	0%	0	0%
Senior Management Service Band D	1	0	0%	0	0%	0	0%
Total	**493**	**5**	**1%**	**0**	**0%**	**0**	**0%**

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2024 to 31 March 2025:

During the period under review, there were no employees whose positions were upgraded due to their posts being upgraded.

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2024 to 31 March 2025:

During the period under review, there were no employees with salary levels higher than those determined by job evaluation by occupation.

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2024 to 31 March 2025:

Total number of Employees whose salaries exceeded the grades determined by job evaluation
None

Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations (see definition in notes below).

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2024 to 31 March 2025:

Salary band	Number of employees at beginning of period-1 April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0	0	0	0%
Skilled (Levels 3-5)	63	6	9	14%
Highly skilled production (Levels 6-8)	118	2	6	5%
Highly skilled supervision (Levels 9-12)	173	4	12	7%
Senior Management Service Bands A	70	4	4	6%
Senior Management Service Bands B	24	2	4	17%
Senior Management Service Bands C	4	0	0	0%
Senior Management Service Bands D	1	0	0	0%
Contracts	6	8	5	83%
Total	**459**	**26**	**40**	**9%**

The SMS Band A excludes 1 Special Advisor but includes the additional establishment employees who, at the time, were appointed at this level. The number of employees excludes those additional to the establishment. There were 8 additional items to the establishment on 31 March 2024 (closing balance of the previous year is the opening balance of the current year, starting at 01 April 2024). The 6 reported above exclude the two special advisors, as they were warm bodies employed during the reporting period.

The total employees on 01 April 2024, as per the PERSAL Establishment of 31 March 2024, was 463. However, this included the Minister, Deputy Minister and 2x Special Advisors. Removing those 4 would result in the total employees at the beginning of the reporting period being 459. The 8 contractors are those additional to the establishment, on contract for less than 12 months. Employees appointed in the Ministry linked to the term of the Minister are regarded as fixed appointments, even though their nature of appointment is a contract.

There were 20 contracts that expired during the reporting period, 5 of which were outside of the Ministry. Consistent with the above statement, Ministry staff linked to the term are regarded as fixed appointments. Therefore, their contract expiries are deemed terminations.

Turnover rate is calculated as the number of terminations and transfers out during the year compared to the number of employees at the beginning of the period. The employees at the beginning of the year exclude two employees who were reinstated during the year. It should be noted that these two employees are not counted in the appointment and transfer in, as reinstatement is regarded as a withdrawal of previous termination.

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2024 to 31 March 2025:

Critical occupation	Number of employees at beginning of period-April 2024	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Senior Management Service	99	6	8	8%
Total	**99**	**6**	**8**	**8%**

Table 3.5.3 Reasons why staff left the Department for the period 1 April 2024 to 31 March 2025:

The table below identifies the major reasons why staff left the Department.

Termination Type	Number	% of Total Resignations
Death	1	2.5%
Resignation	10	25%
Expiry of contract	20	50%
Dismissal – operational changes	0	0%
Dismissal – misconduct	1	2.5%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	0	0%
Retirement	5	12.5%
Transfer to other Public Service Departments	3	7.5%
Other	0	0%
Total	**40**	**100%**
Total number of employees who left as a % of total employment	**9%**	**100%**

Table 3.5.4 Promotions by critical occupation for the period 1 April 2024 to 31 March 2025:

Occupation	Employees 1 April 2024	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Senior Management Service	99	4	4%	0	0%
Total	**99**	**4**	**4%**	**0**	**0%**

This includes 2 promotions to another Level within the SMS (Level 13 to 14) as well as two promotions into the ranks of SMS (From Level 11 and 12, to Level 13).

Table 3.5.5 Promotions by salary band for the period 1 April 2024 to 31 March 2025:

Salary Band	Employees 1 April 2024	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	0	0	0%	0	0%
Skilled (Levels3-5)	63	0	0%	0	0%
Highly skilled production (Levels 6-8)	118	0	0%	0	0%
Highly skilled supervision (Levels 9-12)	173	5	3%	1	1%
Senior Management (Level 13-16)	99	4	4%	0	0%
Total	**453**	**9**	**2%**	**1**	**0.22%**

There was a total of 15 promotions on the PERSAL Promotions report for the 2024/25 financial year. This includes 5 grade progressions, which were not promotions to different posts, but a higher salary level after 15 years of service in terms of the Incentive Policy Framework. In addition, the report includes a promotional transfer into the department. A total of 9 promotions within the financial year as well as 1 retention buy offer. The retention buy offer was a progression of a higher notch in the salary level and not to a new level. Included in the 4 promotions within the SMS are 2 employees who were promoted to the ranks of SMS from Deputy Director Level.

3.6 Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as of 31 March 2025:

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	115	2	7	5	123	3	3	6	264
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0
Clerks	38	2	0	1	69	2	0	4	116
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	32	0	0	0	27	0	0	0	59
Total	**185**	**4**	**7**	**6**	**219**	**5**	**3**	**10**	**439**
Employees with disabilities	1	0	0	0	1	0	0	0	2

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as of 31 March 2025:

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	1	0	1	0	0	0	5
Senior Management	32	2	5	3	45	1	2	3	93
Professionally qualified and experienced specialists and mid-management	80	0	1	2	77	2	1	3	166
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	38	2	0	1	69	2	0	4	116
Semi-skilled and discretionary decision-making	32	0	0	0	27	0	0	0	59
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	**185**	**4**	**7**	**6**	**219**	**5**	**3**	**10**	**439**

Table 3.6.3 Recruitment for the period 1 April 2024 to 31 March 2025:

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	1	0	0	0	5	0	0	0	6
Professionally qualified and experienced specialists and mid-management	1	0	0	0	2	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	0	0	0	1	1	0	0	3
Semi-skilled and discretionary decision-making	3	0	0	0	0	0	0	0	3
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	**6**	**0**	**0**	**0**	**8**	**1**	**0**	**0**	**15**
Employees with disabilities	0	0	0	0	0	0	0	0	0

Recruitment data refers to that of posts filled through a recruitment process where posts were advertised, which may include internal promotions.

Table 3.6.4 Promotions for the period 1 April 2024 to 31 March 2025:

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	4	0	0	0	4
Professionally qualified and experienced specialists and mid-management	1	0	0	0	2	0	0	0	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	1	1	0	0	2
Semi-skilled and discretionary decision-making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision-making	0	0	0	0	0	0	0	0	0
Total	**1**	**0**	**0**	**0**	**7**	**1**	**0**	**0**	**9**
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5 Terminations for the period 1 April 2024 to 31 March 2025:

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	5	1	0	0	3	0	0	0	9
Professionally qualified and experienced specialists and mid-management	8	1	0	0	1	0	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2	0	0	0	2	0	0	1	5
Semi-skilled and discretionary decision-making	2	0	0	0	13	0	0	0	15
Unskilled and defined decision-making	0	0	0	0	1	0	0	0	1
Total	**17**	**2**	**0**	**0**	**20**	**0**	**0**	**1**	**40**
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Senior Management includes Levels 13-14, excluding the Special Advisor at Level 13. The table data also excludes the Minister, Deputy Minister and 1 Special Advisor that was remunerated at Top Management Level salary levels 15-16) Professional and Middle Management equates to Levels 11-12. Skilled Technical, Junior Management and Supervisors include Levels 8-9 Semiskilled and Discretionary include Salary Levels 3-6. See PERSAL Terminations Report as well as Transfers Out report, excluding the Minister, Deputy Minister, and 2 Special Advisors

Table 3.6.6 Disciplinary action for the period 1 April 2024 to 31 March 2025:

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Insubordination in that he refused to take lawful and reasonable instruction from the supervisor and absenteeism	1	0	0	0	0	0	0	0	1

Table 3.6.7 Skills development for the period 1 April 2024 to 31 March 2025:

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	138	2	22	17	181	0	13	15	388
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	227	0	2	8	258	12	5	17	529
Clerks	47	0	0	0	168	0	0	2	217
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	17	2	0	0	14	0	0	0	33
Total	**429**	**4**	**24**	**25**	**621**	**12**	**18**	**34**	**1167**
Employees with disabilities	1	0	0	0	1	0	0	0	2

3.7 Signing of Performance Agreements by SMS Members

All members of the SMS must conclude and sign performance agreements within specific timeframes. Information regarding the signing of performance agreements by SMS members, the reasons for not complying within the prescribed timeframes and disciplinary steps taken is presented here.

Table 3.7.1 Signing of Performance Agreements by SMS members as of 31 May 2024:

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	1	1	100%
Salary Level 16	0	0	0	0%
Salary Level 15	6	4	4	100%
Salary Level 14	28	25	23	92%
Salary Level 13	78	68	67	99%
Total	**113**	**98**	**95**	**97%**

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as of 31 May 2024:

Reasons
• 1 Chief Director concluded and signed their performance agreement late, citing the finalisation of their job functions as the cause. • 1 Chief Director did not conclude and sign their performance agreement as at 31 August 2024 and subsequently terminated their service with Department with effect from 31 October 2024; no reason was provided for their non-conclusion of the said performance agreement. • 1 Director did not conclude and sign their performance agreement as at 31 August 2024 due to prolonged sick leave. However, upon their return, still did not conclude and sign their PA and no reasons were provided until the SMS member retired from the Public Service with effect from 28 February 2025.

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as at 31 May 2024:

Reasons
No disciplinary actions were taken.

3.8 Performance Rewards

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands, and critical occupations (see definition in notes below).

Table 3.8.1 Performance Rewards by race, gender, and disability for the period 1 April 2024 to 31 March 2025:

There was no performance rewards granted during the reporting period.

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2024 to 31 March 2025:

There was no performance rewards granted during the reporting period.

Table 3.8.3 Performance Rewards by Critical Occupation for the period 1 April 2024 to 31 March 2025:

There was no performance rewards granted during the reporting period.

Table 3.8.4 Performance-related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2024 to 31 March 2025:

During the period under review, performance-related rewards (cash bonus), by salary band for senior management service were not granted.

3.8 Foreign Workers

Table 3.9.1 Foreign workers by salary band for the period 1 April 2024 and 31 March 2025:

None

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2024 to 31 March 2025:

None

3.9 Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1 Sick leave for the period 1 January 2024 to 31 December 2024:

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	0	0%	0	0%	0	0
Skilled (levels 3-5)	352	77%	43	13%	8	383
Highly skilled production (levels 6-8)	659	78%	90	28%	7	1 178
Highly skilled supervision (levels 9 -12)	842	77%	121	38%	7	2 611
Top and Senior management (levels 13-16)	468	89.7%	68	21%	7	2 488
Total	**2 321**	**80%**	**322**	**100%**	**29**	**6 660**

The total days is a combination of the contract employees and fixed employees at the various salary bands. Percentage of days with medical certification is calculated as the total number of days with medical certification (both contract and fixed-term) divided by total days. Percentage of total employees using sick leave per salary band is calculated as the number of employees using sick leave divided by the total number of employees using sick leave (322). Average days per employee is calculated as the total number of employees using sick leave per salary band, divided by the total days of that particular salary band. Estimated cost is calculated as the sum of estimated cost per salary band, both contract and fixed employees.

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2024 to 31 December 2024:

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	0	0%	0	0%	0	0
Skilled (Levels 3-5)	37	100%	3	12%	12	43
Highly skilled production (Levels 6-8)	347	87%	12	48%	29	646
Highly skilled supervision (Levels 9-12)	196	100%	7	28%	28	674
Senior management (Levels 13-16)	70	100%	3	12%	23	381
Total	**650**	**93%**	**25**	**100%**	**26**	**1 744**

Table 3.10.3 Annual Leave for the period 1 January 2024 to 31 December 2024:

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave from being paid at the time of termination of service.

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	1 480	68	21.76

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Highly skilled production (Levels 6-8)	3 005	120	25.04
Highly skilled supervision (Levels 9-12)	4 084.92	183	22.32
Senior management (Levels 13-16)	2 462	108	22.80
Total	**11 032**	**479**	**23.03**

Table 3.10.4 Capped leave for the period 1 January 2024 to 31 December 2024:

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 March 2024
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	39
Highly skilled production (Levels 6-8)	0	0	0	11
Highly skilled supervision (Levels 9-12)	28	1	28	31
Senior management (Levels 13-16)	0	0	0	43
Total	**28**	**1**	**28**	**32**

Table 3.10.5 Leave payouts for the period 1 April 2024 to 31 March 2025:

The following table summarises payments made to employees as a result of leave that was not taken.

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Annual - Discounting With Resignation (Workdays)	578	12	48
Annual - Discounting: Unused Vacation Credits (Workdays)	699	11	64
Annual – Discounting: Contract Expiry (Workdays)	295	7	42
Annual - Gratuity: Death/Retirement/Medical Retirement (Work)	110	2	55
Capped - Gratuity: Death/Retirement/Medical Retirement (Work)	333	2	167
Total	**2 015**	**34**	**59**

3.11 HIV/AIDS and Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure:

Units/categories of employees identified to be at high risk of contracting HIV and related diseases (if any)	Key steps taken to reduce the risk
All employees	HIV and AIDS awareness raising sessions, HIV voluntary counselling and testing.

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes:

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	√		Mr Sonwabo Shibane: Position: Director: Specialised HR Services
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	√		There are two officials at the level of Director and Deputy Director. A budget is provided in the Chief Directorate: Human Resource Facilities and Security Management when required.

Question	Yes	No	Details, if yes
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	√		The Department has availed the following prevention programmes to its employees: • Provision of 24-hour telephone counselling • Face-to-face counselling • Monthly health promotion posters through internal media • Health screening (blood pressure, TB, cancer, glucose, eye testing, ear testing, and weight) • HIV and AIDS awareness and voluntary testing • Financial wellness session • Blood Donation
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	√		The Department has established the Employment Equity From to address all matters relating to transformation. Members of the Committee are appointed in terms of sections 16 and 17 of the Employment Equity Act as amended, and the committee is chaired by the Chief Director: HRFS and has representatives.
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	√		The following policies are updated for inclusivity: • Policy on Prevention and Elimination of Harassment • Policy on Health and Productivity and Wellness Management • Policy on Human Resource Development • Policy on Occupational Health and Safety • Policy on Special Leave • Policy on Remote Working Arrangement • Policy on working hours and Overtime
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	√		The Department protects employees through the following measures: • Provision of 24-hour counselling for debriefing and support • Awareness sessions addressing HIV and AIDS stigma. • Policy on Health and Productivity and Wellness Management which prohibits discrimination on the basis of HIV status. • Policy on disciplinary. • Grievance process and service standards that afford employees the opportunity to lodge a complaint.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	√		The Department affords employees an opportunity for voluntary counselling and testing during the health screening session. An additional platform is created during a blood donation drive for employees to do a health screening, including HIV counselling and testing.
8. Has the department developed measures/ indicators to monitor and evaluate the impact of its health promotion programme? If so, list these measures/indicators.	√		The impact of the programme is monitored through the following measures: • Employee Health and Wellness (EHW) Operational Plan with annual indicators • System Monitoring Tool. • EHW Annual Report.

3.12 Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2024 to 31 March 2025:

Total number of collective agreements
None

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2024 to 31 March 2025:

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	0	0%
Final written warning	0	0%
Suspended without pay	0	0%
Fine	0	0%
Demotion	0	0%
Dismissal	1	100%
Not guilty	0	0%
Case withdrawn	0	0%
Total	**1**	**100%**

Total number of Disciplinary hearings finalised
None

Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2024 to 31 March 2025:

Type of misconduct	Number	% of total
Insubordination	1	100%
Total	**1**	**100%**

Table 3.12.4 Grievances logged for the period 1 April 2024 to 31 March 2025:

Grievances	Number	% of Total
Number of grievances resolved	1	100%
Number of grievances not resolved	0	0%
Total number of grievances lodged	**1**	**100%**

Table 3.12.5 Disputes logged with Councils for the period 1 April 2024 to 31 March 2025:

Disputes	Number	% of Total
Number of disputes upheld	0	0%
Number of disputes dismissed	1	100%
Total number of disputes lodged	**1**	**100%**

Table 3.12.6 Strike actions for the period 1 April 2024 to 31 March 2025:

Total number of persons working days lost	0
Total costs of working days lost	0
Amount recovered as a result of no work and no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2024 to 31 March 2025:

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost of suspension(R'000)	0

3.13 Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2024 to 31 March 2025:

Occupational category	Gender	Number of employees as at 1 April 2024	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	0	209	0	209
	Male	55	0	180	0	180
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	127	0	292	0	292
	Male	119	0	240	0	240
Clerks	Female	62	0	170	0	170
	Male	28	0	47	0	47
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	12	0	14	0	14
	Male	17	0	19	0	19
Sub Total	Female	253	0	685	0	685
	Male	219	0	486	0	486
Total		**472**	**0**	**1 171**	**0**	**1 171**

Table 3.13.2 Training provided for the period 1 April 2024 to 31 March 2025:

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	0	59	1	60
	Male	55	0	51	1	52
Professionals	Female	0	0	0	0	0
	Male	0	0	0	0	0
Technicians and associate professionals	Female	127	0	188	12	200
	Male	119	0	147	7	154
Clerks	Female	62	0	86	10	96
	Male	28	0	50	6	56
Service and sales workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Skilled agriculture and fishery workers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Craft and related trades workers	Female	0	0	0	0	0
	Male	0	0	0	0	0

Occupational category	Gender	Number of employees as at 1 April 2024	Training provided within the reporting period			
			Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Plant and machine operators and assemblers	Female	0	0	0	0	0
	Male	0	0	0	0	0
Elementary occupations	Female	12	0	11	11	22
	Male	17	0	18	18	36
Sub Total	**Female**	**253**	**0**	**344**	**34**	**378**
	Male	**219**	**0**	**266**	**32**	**298**
Total		**472**	**0**	**610**	**66**	**676**

3.14 Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2024 to 31 March 2025:

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	100%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**1**	**100%**

The reported injury on duty in the financial year is for one employee. The case was reported to the Department of Employment and Labour and is still in processing.

3.15 Utilisation of Consultants

The following tables relate information on the utilisation of consultants in the Department. In terms of the Public Service Regulations "consultant' means a natural or juristic person or a partnership who or which provides in terms of a specific contract on an ad hoc basis any of the following professional services to a department against remuneration received from any source:

a. The rendering of expert advice;

b. The drafting of proposals for the execution of specific tasks; and

c. The execution of a specific task which is of a technical or intellectual nature but excludes an employee of a department.

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2024 to 31 March 2025:

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand (R'000)
Appointment of service provider to assist ICT security assessment for twelve (12) months	1	12 Months	R2 392 000.00
Appointment of panel of service providers for provision of data management (revenue) in selected municipalities for a period of 24 (twenty-four) months.	5 per appointed bidder	24 Months	Rate per hour.
Appointment of a service provider to develop an implementation guide on the local government anti-corruption strategy for a period of one (1) year.	1	12 Months	R13 694 815.35
Appointment of a panel of service providers to provide co-source internal audit and forensic services as and when required for a period of 36 months	6 per appointed bidder	36 Months	Rate per hour.

Project title	Total number of consultants that worked on project	Duration (workdays)	Contract value in Rand (R'000)
Appointment of a service provider to assist with compliance in terms of the POPI act for a period of twelve (12) months.	1	12 Months	R 430 000.00

Total number of projects	Total individual consultants	Total duration Workdays	Total contract value in Rand (R'000)
6	82	62 Months	R46 155 903.35

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 to 31 March 2025:

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Appointment of service provider to assist ICT security assessment for twelve (12) months.	0	0%	0
Appointment of the panel of service providers for provision of data management (revenue) in selected municipalities for a period of 24 (twenty-four) months.	100	100%	35
Appointment of a service provider to develop an implementation guide on the local government anti-corruption strategy for a period of one (1) year.	0	0%	0
Appointment of a panel of service providers to provide co-source internal audit and forensic services as and when required for a period of 36 months	51	51%	42
Appointment of a service provider to assist with compliance in terms of the POPI act for a period of twelve (12) months.	100	100%	1

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2024 to 31 March 2025:

Project title	Total Number of consultants that worked on project	Duration (Workdays)	Donor and contract value in Rand
None	0	0	0

Total number of projects	Total individual consultants	Total duration (Workdays)	Total contract value in Rand
None	0	0	0

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2024 to 31 March 2025:

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
None	0	0	0

3.16 Severance Packages

Table 3.16.1 Granting of employee-initiated severance packages for the period 1 April 2024 to 31 March 2025

No employee-initiated severance packages were granted during the 2024/25 financial year.

PART E

PFMA COMPLIANCE REPORT

1. IRREGULAR, FRUITLESS, WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

1.1. Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	756,083	3,405,305
Prior year error	(52,842)	6,755
	703,241	3,412,060
Add: Irregular expenditure relating to the current year confirmed (Various) 60 939 -	-	60,939
Add: Irregular expenditure relating to the current year confirmed (Redefine Properties)	8,101	8,010
Add: - C3 PM Fees	8,155	738
Add: - C3 Procurement	-	32,470
Add: - C4 PM Fee	55,831	-
Add: - Retention Fees (C1, C2 & C3)	-	33,535
Add: SITA related services	838	-
Less: Prior year amounts condoned	(13)	-
Less: Prior year amounts not condoned but removed	(971)	(2,791,669)
Closing balance	**775,182**	**756,083**

Reconciling notes

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure that was under assessment	702,257	674,575
Irregular expenditure that relates to the prior year and identified in the current year	-	6,755
Irregular expenditure for the current year	72,925	74,753
Total	**775,182**	**756,083**

b) Details of irregular expenditure (under assessment, determination, and investigation)

Description[1]	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	20, 656	67,694
Irregular expenditure under determination	55,194	-
Irregular expenditure under investigation	77,726	12,800
Irregular expenditure under consequence	621,606	-
Total	**775, 182**	**80,494**

- Out of the closing balance of Irregular Expenditure amounting to R775 million, R55.1 million is still under determination and R77.7 is under further investigation by the Internal Control Unit.
- Irregular Expenditure to the value of R621 million is undergoing consequence management.

c) Details of irregular expenditure condoned.

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure condoned	13	-
Total	**13**	**-**

1 Group similar items

d) Details of irregular expenditure removed - (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure not condoned and removed in terms of paragraph 57	-	2,791,585
Irregular expenditure not condoned but removed - wrongly classified	(971)	69
Irregular expenditure not condoned and removed - reclassified to non-compliance	-	15
Total	**(971)**	**2,791,669**

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	**-**	**-**

f) Details of irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	**-**	**-**

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

Description
N/A

h) Details of irregular expenditure cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)[2]

Description	2024/2025[3]	2023/2024
	R'000	R'000
N/A		

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken
N/A

2 Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/2023

3 Amounts of irregular expenditure related to the current year must be disclosed in the annual financial statements.

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	584	888
Adjustment to opening balance	(230)	-
Opening balance as restated	**354**	**888**
Add: Fruitless and wasteful expenditure confirmed	19	110
Add: Prior year fruitless and wasteful expenditure identified in the current year (CWP CAATs)	783	148
Add: CWP CAATs	4,988	-
Less: Cancellation of year-end function (2016/17) written off	(349)	-
Less: Interest charged on late payments written off	(2)	-
Less: No-show at hotels written off	(1)	(24)
Less: No-show recoverable	(3)	-
'Non delivery of catering due to strike	-	(25)
'Non-attendance of training by CWP participants (2018/19)	-	(513)
Less: Fruitless and wasteful expenditure not recoverable and written off	-	-
Less: Credit Note received	(8)	-
Closing balance	**5,781**	**584**

- R4,988 million related to the CAAT findings that are under assessment for validations by management.
- The R230 thousand relates to the arbitration costs for tan employee that was dismissed and later had to be reinstated.

Reconciling notes

Description	2024/2025	2023/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	5,572	888
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	783	148
Fruitless and wasteful expenditure for the current year	19	110
Less: Fruitless and wasteful expenditure recoverable	(3)	-
Less: Fruitless and wasteful expenditure written off	(352)	(562)
Less: Prior year error	(230)	-
Less: Credit note received	(8)	-
Total	**5,781**	**584**

b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description[4]	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure under assessment	4,994	232
Fruitless and wasteful expenditure under determination	787	-
Fruitless and wasteful expenditure under investigation	-	352
Total	**5,781**	**584**

4 Group similar items

c) **Details of fruitless and wasteful expenditure recoverable**

Description	2024/2025	2023/2024
	R'000	R'000
Fruitless and wasteful expenditure recoverable	3	-
Total	**3**	**-**

d) **Details of fruitless and wasteful expenditure not recoverable and written off**

Description	2024/2025	2023/2024
	R'000	R'000
Cancellation of year-end function (2016/17) written off	(349)	-
Interest on overdue account	(2)	-
No show	(9)	(24)
Non delivery of catering due to strike	-	(25)
Non-attendance of training by CWP participants (2018/19)	-	(513)
Total	**(3,602)**	**(562)**

e) **Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken
N/A

1.3. Unauthorised expenditure

a) **Reconciliation of unauthorised expenditure**

Description	2024/2025	2023/2024
	R'000	R'000
Opening balance	85,936.00	1,123.00
Adjustment to opening balance	-	-
Opening balance as restated	**85,936.00**	**1,123.00**
Add: unauthorised expenditure confirmed	171,527.00	84,813.00
Less: unauthorised expenditure approved with funding	-	-
Less: unauthorised expenditure approved without funding	-	-
Less: unauthorised expenditure recoverable	-	-
Less: unauthorised not recoverable and written off	-	-
Closing balance	**257,463.00**	**85,936.00**

Reconciling notes[5]

Description	2024/2025	2023/2024[5]
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to the prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	171 527.00	84 813.00
Total	**171 527.00**	**84 813.00**

5 Record amounts in the year in which it occurred

b) Details of unauthorised expenditure (under assessment, determination, and investigation)

Description	2024/2025 R'000	2023/2024 R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	257,463.00	85,936.00
Unauthorised expenditure under investigation	-	-
Total	**257,463.00**	**85,936.00**

1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) &(iii))[6]

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025 R'000	2023/2024 R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	**-**	**-**

b) Details of other material losses

Nature of other material losses	2024/2025 R'000	2023/2024 R'000
(Group major categories, but list material items)	-	-
Total	**-**	**-**

c) Other material losses recoverable

Nature of losses	2024/2025 R'000	2023/2024 R'000
(Group major categories, but list material items)	-	-
Total	**-**	**-**

d) Other material losses not recoverable and written off.

Nature of losses	2024/2025 R'000	2023/2024 R'000
(Group major categories, but list material items)	-	-
Total	**-**	**-**

6 Information related to material losses must be disclosed in the annual financial statements.

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of Invoices	Consolidated Value
		R'000
Valid invoices received	25,096	512,817
Invoices paid within 30 days or agreed period	25,096	512,817
Invoices paid after 30 days or agreed period	-	-
Invoices older than 30 days or agreed period (unpaid and without dispute)	-	-
Invoices older than 30 days or agreed period (unpaid and in dispute)	-	-

3. SUPPLY CHAIN MANAGEMENT

3.1. Procurement by other means

Project Description	Name of Supplier	Type of procurement by other means	Contract Number	Value of Contract R'000
Provision of a portfolio of weather services to the National Disaster Management Centre for a period of 36 months.	South African Weather Services	Deviation	OR13758	R1 424 362.49
Total				**R1 424 362.49**

3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Conceptualise, design, layout, edit and print DCoG strategic plan, annual performance plan and annual report.	Shereno Printers	Variation	CoGTA (T) 12/2021	R836 696,75	N/A	R 309 029.15
Reviewal of the Department of Cooperative Governance organisational structure.	Government Technical Advisory Centre	Variation	OR13786	R1 260 547,00	N/A	R 187 141.00
Provision of Physical security and Equipment for the Department of Cooperative Governance and Traditional Affairs for a period of 36 months.	Prime African Security	Variation	CoGTA (T) 03/2021	R28 063 499,39	R2 536 434,06	R 780 483.85

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Provision of Physical security and Equipment for the Department of Cooperative Governance and Traditional Affairs for a period of 36 months.	Delta Facilities Management	Variation	CoGTA (T) 04/2021	R14 774 554,11	R1 414 479,53	R 492 495.14
Total						**R1 769 149.14**

PART F

FINANCIAL INFORMATION

Report of the auditor-general to Parliament on vote no. 3: Department of Cooperative Governance

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Cooperative Governance set out on pages 180 to 323, which comprise the appropriation statement, statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets and cash flow statement 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 Department of Cooperative Governance as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and Division of Revenue Act No. 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 department 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 matter below. My opinion is not modified in respect of these matters.

Unauthorised expenditure

7. As disclosed in note 31 to the financial statements, unauthorised expenditure of R171 524 000 was incurred in the current year.

Other matter

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

Unaudited supplementary schedules

9. The supplementary information set out on pages 263 to 323 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the department'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 department 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

12. 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.

13. 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 on page 176, forms part of my auditor's report.

Report on the audit of the annual performance report

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

15. I selected the following programmes presented in the annual performance report for the year ended 31 March 2025 for auditing. I selected programmes that measure the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Intergovernmental support	50 to 68	Facilitate and coordinate improved functionality of provinces and municipalities to strengthen coordination across the different spheres of government and support improved delivery of services to households and communities.
Programme 3: Intergovernmental policy and governance	71 to 86	Facilitate efficient municipal administrative systems. Coordinate policy research and monitoring to build institutional resilience in provinces and municipalities

16. I evaluated the reported performance information for the selected programmes 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 department's planning and delivery on its mandate and objectives.

17. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department'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 for the reasons provided for any over- or underachievement of targets.

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

19. I did not identify any material findings on the reported performance information for the selected programmes.

Other matter

20. I draw attention to the matter below.

Achievement of planned targets

21. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

22. The tables that follow provide information on the achievement of planned targets and list the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 42 to 100.

Programme 2: Intergovernmental support

Table 1.1 Originally tabled Annual Performance Plan until date of re-tabling

Targets achieved: 9%		
Provinces and municipalities	**Planned target**	**Reported achievement**
2.1 IGRFA Amendment Bill submitted to Parliament	IGRFA Amendment Bill submitted to Parliament by 31 March 2025	Not Achieved IGRFA Amendment Bill was not submitted to Parliament by 30 September 2024.
2.2 Number of districts/metros that have implemented at least one DDM catalytic project from the approved DDM One Plan.	30 Districts/metros that have implemented at least one DDM catalytic project by 31 March 2025	Not Achieved 20 districts/ metros implemented at least One DDM Catalytic Project by 30 September 2024
2.3 Number of municipalities where MSIP has been implemented to improve performance status in terms of the SoLG Assessment Report.	44 municipalities where MSIP has been implemented to improve performance status in terms of the SoLG assessment report by 31 March 2025	Not Achieved 29 municipalities implemented MSIPs to improve the performance status in terms of the SoLG assessment report by 30 September 2024.
2.4 Percentage of MIG receiving municipalities spending at least 60% of 2024/25 MIG allocations	75% of MIG receiving municipalities spending at least 60% of 2024/25 MIG allocations by 31 March 2025	Not Achieved 79% of MIG-receiving municipalities had spent at least 10% of 2024/25 MIG allocations by 30 September 2024.
2.5 Percentage of distressed Water Services Authority (WSA) municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment	50% of distressed WSA municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025	Not Achieved 7% of distressed WSA municipalities had spent at least 4% of the 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 30 September 2024.
2.6 Percentage of converted MIG funding spent on projects at Uthukela District Municipality (DM) and Emfuleni Local Municipality (LM)	90% of converted MIG funding spent on projects at Uthukela DM and Emfuleni LM by 31 March 2025	Not Achieved 20% of converted MIG funding was spent on projects at Uthukela DM and Emfuleni LM by 30 September 2024.

Targets achieved: 9%		
Provinces and municipalities	**Planned target**	**Reported achievement**
2.7 Number of priority municipalities that achieved DWS Blue-Drop targets	33 priority municipalities with achieved DWS Blue-Drop targets by 31 March 2025	Not Achieved None of the 33 priority municipalities achieved DWS Blue-Drop targets by 30 September 2024.
2.8 Number of priority municipalities that achieved DWS Green-Drop targets	33 priority municipalities with achieved DWS Green-Drop targets by 31 March 2025	Not Achieved None of the 33 priority municipalities achieved DWS Green-Drop targets by 30 September 2024
2.9 Number of WSAs with achieved water losses & non-revenue water targets	33 WSAs with achieved water losses & non-revenue water targets by 31 March 2025	Not Achieved None of the 33 WSAs achieved water losses and non-revenue water targets by 30 September 2024
2.10 Number of priority municipalities with achieved waste service delivery standard targets	33 priority municipalities with achieved waste service delivery standard targets by 31 March 2025	Not Achieved None of the 33 priority municipalities achieved waste service delivery standard targets by 30 September 2024.
2.11 Number of priority municipalities with achieved infrastructure asset management targets	33 priority municipalities with achieved infrastructure asset management targets by 31 March 2025	Not Achieved None of the 33 priority municipalities achieved infrastructure asset management targets by 30 September 2024
2.12 Number of priority municipalities that have spent Rural Roads Asset Management Systems Grant	33 priority municipalities that have spent Rural Roads Asset Management Systems Grant by 31 March 2025	Not Achieved 16 priority municipalities have spent the Rural Road Asset Management Systems Grant by 30 September 2024.
2.14 Number of priority municipalities that have implemented Third-Party Wheeling Framework and Guidelines	33 priority municipalities that have achieved Third-Party Wheeling Framework and Guidelines targets by 31 March 2025	Not Achieved None of the 33 priority municipalities achieved Third Party Wheeling Framework and Guidelines targets by 30 September 2024.
2.15 Number of priority municipalities with determined cost of supply, NERSA Application & Final Wheeling Tariff	6 priority municipalities with determined cost of supply, NERSA Application and Final Wheeling Tariff by 31 March 2025	Not Achieved None of the 6 priority municipalities have determined the cost of supply, NERSA Application and Final Wheeling Tariff by 30 September 2024.
2.16 Number of priority municipalities aligned with the outcomes of the NECOM WS9 focusing on DX issues.	33 priority municipalities aligned with the outcomes of the NECOM WS9 focusing on DX issues by 31 March 2025	Not Achieved None of the 33 priority municipalities were aligned with the outcomes of the NECOM WS9 focusing on DX issues by 30 September 2024.
2.17 Number of priority municipalities with restored distribution network infrastructure	33 priority municipalities with restored distribution network infrastructure by 31 March 2025	Not Achieved None of the 33 priority municipalities restored distribution network infrastructure by 30 September 2024.
2.19 Number of priority districts and metros with functional DDM political and technical committees	30 priority districts and metros with functional DDM political and technical committees by 31 March 2025	Not Achieved 20 priority districts and metros with functional DDM political and technical committees by 30 September 2024.

Targets achieved: 9%		
Provinces and municipalities	**Planned target**	**Reported achievement**
2.20 Number of key strategic partnerships finalised for targeted project preparation, funding and implementation.	2 strategic partnerships finalized for targeted project preparation, funding and implementation by 31 March 2025	Not Achieved 1 strategic partnership finalised for targeted project preparation, funding and implementation by 30 September 2024.
2.21 Number of priority districts and metro's One Plans where quality assurance has been provided.	30 priority districts and metro's One Plans where quality assurance has been provided by 31 March 2025	Not Achieved Quality Assurance on One Plans was provided in 20 priority districts and metros by 30 September 2024.
2.22 Number of priority municipalities that have implemented MSIG-funded projects in DDM sites.	9 priority municipalities that have implemented MSIG-funded projects in DDM sites by 31 March 2025	Not Achieved None of the 9 priority municipalities implemented MSIG-funded projects in DDM sites by 30 September 2024

Table 1.2 Report against the re-tabled Annual Performance Plan

Targets achieved: 87% Budget spent: 100%		
Key indicator not achieved	**Planned target**	**Reported achievement**
2.5 Percentage of distressed Water Services Authority (WSA) municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment	50% of distressed WSA municipalities receiving MIG spending at least 10% of 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025	Not Achieved 22% of distressed WSA municipalities receiving MIG had spent at least 10% of the 2024/25 MIG allocations on water services infrastructure repairs and refurbishment by 31 March 2025.
2.15 Number of priority municipalities that have implemented MSIG-funded projects in DDM sites.	3 priority municipalities that have implemented MSIG-funded projects in DDM sites by 31 March 2025	Not Achieved 1 priority municipality implemented MSIG-funded projects in DDM sites by 31 March 2025.

Programme 3: Intergovernmental policy and governance

Table 2.1 Originally tabled Annual Performance Plan until date of re-tabling

Targets achieved: 0%		
Key indicator not achieved	**Planned target**	**Reported achievement**
3.1 Number of municipalities where revenue improvement recommendations are proposed for implementation by municipalities in the next financial year.	Revenue improvement recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025.	Not Achieved Revenue improvement recommendations proposed for implementation to 10 municipalities in the 2025/26 financial year by 30 September 2024.
3.2 Number of municipalities where credit control and debt collection recommendations are proposed for implementation by municipalities in the next financial year.	Credit control and debt collection recommendations proposed for implementation by 22 municipalities in the 2025/26 financial year by 31 March 2025	Not Achieved Credit control and debt collection recommendations proposed for implementation to 10 municipalities in the 2025/26 financial year by 30 September 2024.
3.3 Development of Local Government: General Laws Amendment Bill and submitted to Technical Working Group of Cabinet Committee	Local Government: General Laws Amendment Bill submitted to Technical Working Group of Cabinet Committee by 31 March 2025.	Not Achieved Local Government: General Laws Amendment Bill was not submitted to Technical Working Group of Committee by 30 September 2024.

Targets achieved: 0%		
Key indicator not achieved	**Planned target**	**Reported achievement**
3.4 Percentage of competent senior manager appointed in municipalities.	100% of competent senior managers appointed and recommended to the MECs by 31 March 2025.	Not Achieved 0% of competent senior managers appointed and recommended to the MECs by 30 September 2024.
3.5 Percentage of cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members.	100% cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 31 March 2025.	Not Achieved 0% cases of misconduct including financial misconduct, fraud, and corruption recorded on the database for dismissed municipal staff members by 30 September 2024.
3.6 Support provided to Parliament on the processing of the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	Support provided to Parliament on the processing of the IMSI Bill by 31 March 2025.	Not Achieved Support was not provided to Parliament on the processing of the IMSI Bill by 30 September 2024.
3.7 Draft regulations for LG indicators (section 43 of MSA developed	Draft regulations for LG indicators (S43 of MSA) developed and consulted by 31 March 2025.	Not Achieved Draft regulations for LG indicators (S43 of MSA) were not developed by 31 March 2025. However, consultations were undertaken by 30 September 2024.
3.8 White Paper on Local Government, 1998 reviewed	Discussion document on the Review of the White Paper on Local Government, 1998 developed by 31 March 2025	Not Achieved Discussion document on the Review of the White Paper on Local Government, 1998 was not developed by 30 September 2024.
3.9 Number of municipalities where improvement measures to enhance Spatial Development Framework (SDF) compliance with Spatial Planning and Land Use Management Act (SPLUMA) 16 of 2013 are recommended.	50 municipal SDFs assessed and recommendations provided for SPLUMA compliance by 31 March 2025.	Not Achieved 50 municipal SDFs were not assessed and recommendations provided for SPLUMA compliance by 30 September 2024.
3.10 Number of intermediate city municipalities (ICMs) with Capital Expenditure Frameworks (CEFs) aligned to the strategic objectives of the Integrated Urban Development Framework (IUDF)	10 ICMs with final CEFs aligned to the strategic objectives of the IUDF by 31 March 2025.	Not Achieved 10 ICMs with final CEFs were not aligned to the strategic objectives of the IUDF by 30 September 2024.
3.11 Number of municipalities with action plans to address inefficient business processes.	3 municipalities with action plans to address inefficient business processes by 31 March 2025.	Not Achieved municipalities were not provided with action plans to address inefficient business processes by 30 September 2024.
3.12 Number of cities/ towns identified for redesign and refurbishment as smart cities/ towns	Three existing cities/towns identified and plans for redesign and refurbishment into smart cities/ towns developed by 31 March 2025	Not Achieved Three existing cities/towns were not identified and plans for redesign and refurbishment into smart cities/towns were not developed by 30 September 2024.
3.13 Number of municipalities surveyed on citizen satisfaction with service delivery.	22 municipalities surveyed on citizen satisfaction by 31 March 2025	Not Achieved 22 municipalities were not surveyed on citizen satisfaction by 30 September 2024

Targets achieved: 0%		
Key indicator not achieved	**Planned target**	**Reported achievement**
3.14 Number of priority municipalities with credible and responsive recovery plans developed	6 priority municipalities achieved 40% of short-term recovery plans targets by 31 March 2025	Not Achieved 4 of the priority municipalities achieved 28% of short-term financial management pillar recovery planned activities by 30 September 2024.
3.15 Number of priority municipalities with reduced unfunded budgets	6 priority municipalities with recommendations made to reduce unfunded budgets by 31 March 2025	Not Achieved Recommendations were not made to reduce unfunded budgets in any of the 6 priority municipalities by 30 September 2024.
3.16 Number of priority municipalities that have received positive AGSA audit opinion	6 priority municipalities that have achieved 50% audit action plan targets by 31 March 2025	Not Achieved None of the 6 priority municipalities achieved 50% of audit action plan targets by 30 September 2024.
3.17 Number of priority municipalities that have achieved Eskom Debt Relief action plan targets	6 priority municipalities that have achieved 60% of Eskom Debt Relief action plan targets by 31 March 2025	Not Achieved None of the 6 priority municipalities achieved 60% of Eskom Debt Relief action plan targets by 30 September 2024.

Table 2.2 Report against the re-tabled Annual Performance Plan

Targets achieved: 88% *Budget spent: 98,3%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
3.6 Support provided to Parliament on the processing of the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill	Support provided to Parliament on the processing of the IMSI Bill by 31 March 2025.	Not Achieved Support was not provided to Parliament on the processing of the IMSI Bill by 31 March 2025.
3.15 Number of priority municipalities that have implemented audit action plan targets.	6 priority municipalities that have implemented 25% of audit action plan targets by 31 March 2025	Not achieved 6 priority municipalities did not implement 25% of audit action plan targets by 31 March 2025.

Report on compliance with legislation

23. 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 department's compliance with legislation.

24. 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.

25. 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 department, 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.

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

Expenditure management

27. Effective and appropriate steps were not taken to prevent unauthorised expenditure disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

28. Effective and appropriate steps were not taken to prevent irregular expenditure disclosed in note 31 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1.

Asset management

29. Proper control systems were not in place at the department to ensure the safeguarding and maintenance of assets, as required by section 38(1)(d) of the PFMA.

30. Preventative mechanisms were not in place to eliminate wastage and misuse of assets, as required by treasury regulation 10.1.1(a).

31. Processes and procedures were not in place at the department for the effective, efficient and economical use of the institution's assets, as required by treasury regulation 10.1.2

Other information in the annual report

32. The accounting officer is responsible for the other information included in the annual report which includes the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.

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

34. 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 programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

35. 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

36. 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.

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

38. Management did not adequately review and monitor compliance with applicable legislation and regulations and did not have sufficient monitoring controls to prevent irregular and unauthorised expenditure.

39. Management did not adequately review and monitor compliance with applicable legislation and regulations and did not have sufficient monitoring controls to ensure that proper controls exist for safeguarding, managing and maintaining Community Work Programme (CWP) assets.

Material irregularities

40. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.

Material irregularities in progress

Community Work Programme (CWP) assets written off

41. The department contracted implementing agents to support the implementation of the community work programme (CWP) at sites across the nine provinces. As part of the contract agreements, the implementing agents procure assets to be used at these sites. During the audit of disposals of the CWP assets listed in the Assets Under Investigation register in 2023-24, it was identified that there are lost/stolen assets that were written off.

42. The department conducted an internal investigation on all the assets under the management of the implementing agents responsible for managing the CWP sites as well as assessing the conditions of the assets. The investigation identified assets that were lost/stolen and the accounting officer approved the writing off of these assets in the 2023-24 financial year.

43. I requested substantiating documentation on the write-offs of these assets to determine the circumstances that led to the write-off of these assets and whether any cases have been reported the South African Police Service and losses recovered from the implementing agents that are managing these assets. The department was unable to provide evidence in this regard and to confirm that an effective, efficient and transparent system of financial and risk management and internal controls were in place regarding these assets.

44. The lack of adequate controls around the safeguarding and disposal of assets resulted in a non-compliance with section 38(1)(d) of the PFMA and a likely material financial loss of R5 269 528,62.

45. I notified the accounting officer of the material irregularity on 16 January 2025 and invited the accounting officer to make a written submission on the actions taken and that would be taken to address the material irregularity. The accounting officer responded on 14 February 2025 to the notification and sent a further response on 18 March 2025.

46. The responses were assessed, and I determined that appropriate actions are not being taken to address the material irregularity.

47. I recommend that the accounting officer takes the following actions to address the material irregularity, which should be implemented by 24 February 2026, with a progress report by 31 October 2025:

    - The non-compliance with section 38(1)(d) of the PFMA and TR10.1.1(a) should be investigated to determine the reasons and circumstances that led to the non-compliance for the purpose of taking appropriate corrective actions and to address control weaknesses.

- The asset verification process for CWP assets should be completed and the financial loss quantified.
- Based on the reasons and circumstances identified from the investigation, appropriate action should be taken to develop and commence with the implementation of an action plan to address safeguarding and management of the CWP assets.
- Effective and appropriate disciplinary steps should be initiated without undue delay, against all officials that the investigation found to be responsible, as required by section 38(1)(h) of the PFMA and in accordance with treasury regulation 9.1.3.
- Appropriate action should be taken to recover the financial loss suffered by the department.
- If it is determined that the department suffered the financial loss through criminal acts or possible criminal acts or omissions, this should be reported to the South African Police Service, as required by TR 12.5.1.

Auditor-General

Pretoria

31 July 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 programmes and on the department'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 department'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 department 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 department 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

48. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); 38(1)(d); 38(1)(f); 38(1)(h)(iii); 39(1)(a); 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); 43(1); 43(4); 44; 45(b);
Treasury Regulations, 2005	Treasury Regulation 4.1.1; 4.1.3 Treasury Regulation 5.1.1; 5.2.1; 5.2.3(a); 5.2.3(d); 5.3.1 Treasury Regulation 6.3.1(a); 6.3.1(b); 6.3.1(c'); 6.3.1(d); 6.4.1(b) Treasury Regulation 7.2.1 Treasury Regulation 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1 Treasury Regulation 9.1.1; 9.1.4 Treasury Regulation 10.1.1(a); 10.1.2 Treasury Regulation 11.4.1; 11.4.2; 11.5.1 Treasury Regulation 12.5.1 Treasury Regulation 15.10.1.2(c') Treasury Regulation 16A3.1 ; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) ,(b) & (e) ; 16A 6.3(a); 16A 6.3(a)(i);16A 6.3(b); 16A 6.3(c);16A6.3(d) ; 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; 16A7.1; 16A.7.3; 16A.7.6; 16A.7.7;TR 16A8.2 (1) and (2); 16A 8.3 16A8.3 (d); 16A 8.4; 16A 9; 16A 9.1; 16A9.1(b)(ii);16A9.1 (c); 16A 9.1(d); 16A 9.1(e); 116A9.2; 16A9.2(a)(ii) &(iii); 16A9.1(f). Treasury Regulation 17.1.1 Treasury Regulation 18.2 Treasury Regulation 19.8.4
Construction Industry Development Board Act No.38 of 2000 (CIDB)	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 24 of 2024	Section 11(6)(a); 12(5); 16(1); 16(3)(a)(i); 16(3)(a)(ii)
National Health Act 61 of 2003	Section 13
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 2020/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury Instruction No. 7 of 2017/18	Paragraph 4.3
PFMA National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4

Legislation	Sections or regulations
Preferential Procurement Regulations, 2017	Regulation 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
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations, 2016	Regulation 18(1); 18(2); 25(1)(e)(i); 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)

Table of Contents

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Appropriation per programme									
Programme									
1. Administration	359,430	25,426	-	384,856	362,532	22,324	94.2 %	364,939	363,567
2. Intergovernmental Support	18,755,533	2,365	-	18,757,898	18,756,416	1,482	100.0 %	18,046,432	18,015,620
3. Intergovernmental Policy and Governance	101,581,300	(13,270)	-	101,568,030	99,855,350	1,712,680	98.3 %	95,574,137	92,546,145
4. National Disaster Management	2,042,393	(26,096)	-	2,016,297	2,011,712	4,585	99.8 %	2,466,564	2,272,132
5. Centre Community Work Programme	3,157,267	11,575	-	3,168,842	3,338,607	(169,765)	105.4 %	3,521,670	3,602,630
Total	**125,895,923**	**-**	**-**	**125,895,923**	**124,324,617**	**1,571,306**	**98.8 %**	**119,973,742**	**116,800,094**
Reconciliation with statement of financial performance									
Add:									
Departmental revenue				5,165				7,441	
Actual amounts per statement of financial performance (total revenue)				**125,901,088**				**119,981,183**	
Add:									
Actual amounts per statement of financial performance (total expenditure)					**124,324,617**				**116,800,094**

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Appropriation per economic classification									
Economic classification									
Current payments									
Compensation of employees	369,869	-	7,490	377,359	372,679	4,680	98.8 %	357,684	355,487
Goods and services	3,591,933	(2,756)	(9,404)	3,579,773	3,697,030	(117,257)	103.3 %	3,928,059	3,918,239
Interest and rent on land	-	65	-	65	65	-	100.0 %	2	2
Total current payments	**3,961,802**	**(2,691)**	**(1,914)**	**3,957,197**	**4,069,774**	**(112,577)**	**102.8 %**	**4,285,745**	**4,273,728**
Transfers and subsidies									
Provincial Revenue Funds	149,345	31	6	149,382	149,382	-	100.0 %	29	29
Municipal bank accounts	121,180,953	-	-	121,180,953	119,506,946	1,674,007	98.6 %	115,098,736	111,983,634
Provinces and municipalities subtotal	**121,330,298**	**31**	**6**	**121,330,335**	**119,656,328**	**1,674,007**	**98.6 %**	**115,098,765**	**111,983,663**
Departmental agencies and accounts	517,819	-	-	517,819	517,819	-	100.0 %	510,988	510,988
Foreign governments and international organisations	390	-	-	390	373	17	95.6 %	1,959	378
Non-profit institutions	8,664	95	-	8,759	8,759	-	100.0 %	15,058	8,633
Households	3,292	(126)	1,908	5,074	4,516	558	89.0 %	4,520	4,138
Total transfers and subsidies	**121,860,463**	**-**	**1,914**	**121,862,377**	**120,187,795**	**1,674,582**	**98.6 %**	**115,631,290**	**112,507,800**
Payments for capital assets Buildings and other fixed structures									
Other fixed structures	58,309	-	-	58,309	57,842	467	99.2 %	30,158	158
Machinery and equipment									
Transport equipment	1,000	1,159	-	2,159	2,159	-	100.0 %	4,376	4,376
Other machinery and equipment	14,349	(1,159)	-	13,190	4,356	8,834	33.0 %	19,198	11,164
Machinery and equipment	**15,349**	-	-	**15,349**	**6,515**	**8,834**	**42.4 %**	**23,574**	**15,540**
Total payments for capital assets	**73,658**	-	-	**73,658**	**64,357**	**9,301**	**87.4 %**	**53,732**	**15,698**
Payments for financial assets	-	2,691	-	2,691	2,691	-	100.0 %	2,975	2,868
Total	**125,895,923**	-	-	**125,895,923**	**124,324,617**	**1,571,306**	**98.8 %**	**119,973,742**	**116,800,094**

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
1. ADMINISTRATION									
Sub programme									
Ministry	39,941	1,609	-	41,550	41,545	5	100.0 %	32,792	32,592
Management	30,302	105	-	30,407	30,386	21	99.9 %	27,223	27,217
Corporate Services	148,519	24,567	-	173,086	150,811	22,275	87.1 %	167,217	166,734
Financial Services	52,246	4,646	-	56,892	56,870	22	100.0 %	55,889	55,888
Internal Audit and Risk Management	12,800	(2,084)	-	10,716	10,715	1	100.0 %	11,709	11,125
Office Accommodation	75,622	(3,417)	-	72,205	72,205	-	100.0 %	70,109	70,011
Total	**359,430**	**25,426**	**-**	**384,856**	**362,532**	**22,324**	**94.2 %**	**364,939**	**363,567**
Economic classification									
Current payments									
Compensation of employees	167,727	2,500	3,890	174,117	173,661	456	99.7 %	164,313	163,730
Goods and services	179,272	22,023	(4,308)	196,987	180,642	16,345	91.7 %	183,745	183,401
Interest and rent on land	-	65	-	65	65	-	100.0 %	2	2
Total current payments	**346,999**	**24,588**	**(418)**	**371,169**	**354,368**	**16,801**	**95.5 %**	**348,060**	**347,133**
Transfers and subsidies									
Provinces and municipalities	-	31	-	31	31	-	100.0 %	23	23
Departmental agencies and accounts	-	-	-	-	-	-	- %	22	22
Foreign governments and international organisations	390	-	-	390	373	17	95.6 %	383	378
Households	592	(23)	418	987	986	1	99.9 %	1,238	922
Total transfers and subsidies	**982**	**8**	**418**	**1,408**	**1,390**	**18**	**98.7 %**	**1,666**	**1,345**
Payments for capital assets									
Machinery and equipment	11,449	(582)	-	10,867	5,362	5,505	49.3 %	12,700	12,683
Payments for financial assets	-	1,412	-	1,412	1,412	-	100.0 %	2,513	2,406
Total	**359,430**	**25,426**	-	**384,856**	**362,532**	**22,324**	**94.2 %**	**364,939**	**363,567**

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
2. INTERGOVERNMENTAL SUPPORT									
Sub programme									
Management: Intergovernmental Support	14,137	12,003	-	26,140	25,375	765	97.1 %	20,420	19,608
Municipal and Provincial Governance Support and Capacity Building	76,489	(9,638)	-	66,851	66,601	250	99.6 %	80,525	80,525
Municipal Infrastructure Grant	17,112,664	-	-	17,112,664	17,112,197	467	100.0 %	16,371,585	16,341,585
Integrated Urban Development Grant	1,145,564	-	-	1,145,564	1,145,564	-	100.0 %	1,172,448	1,172,448
Municipal Infrastructure Support Agent	406,679	-	-	406,679	406,679	-	100.0 %	401,454	401,454
Total	**18,755,533**	**2,365**	**-**	**18,757,898**	**18,756,416**	**1,482**	**100.0 %**	**18,046,432**	**18,015,620**
Economic classification									
Current payments									
Compensation of employees	70,195	1,200	1,000	72,395	71,630	765	98.9 %	65,166	64,919
Goods and services	20,431	981	(1,000)	20,412	20,162	250	98.8 %	35,308	34,743
Total current payments	**90,626**	**2,181**	**-**	**92,807**	**91,792**	**1,015**	**98.9 %**	**100,474**	**99,662**
Transfers and subsidies									
Provinces and municipalities	18,199,919	-	-	18,199,919	18,199,919	-	100.0 %	17,514,033	17,514,033
Departmental agencies and accounts	406,679	-	-	406,679	406,679	-	100.0 %	401,454	401,454
Households	-	-	-	-	-	-	- %	115	115
Total transfers and subsidies	**18,606,598**	**-**	**-**	**18,606,598**	**18,606,598**	**-**	**100.0 %**	**17,915,602**	**17,915,602**
Payments for capital assets									
Buildings and other fixed structures	58,309	-	-	58,309	57,842	467	99.2 %	30,000	-
Machinery and equipment	-	165	-	165	165	-	100.0 %	31	31
Total payments for capital assets	**58,309**	**165**	-	**58,474**	**58,007**	**467**	**99.2 %**	**30,031**	**31**
Payments for financial assets	-	19	-	19	19	-	100.0 %	325	325
Total	**18,755,533**	**2,365**	-	**18,757,898**	**18,756,416**	**1,482**	**100.0 %**	**18,046,432**	**18,015,620**

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
3. INTERGOVERNMENTAL POLICY AND GOVERNANCE									
Sub programme									
Management: Intergovernmental Policy and Governance	5,042	1,109	-	6,151	6,129	22	99.6 %	9,975	9,975
Municipal Administration and Capacity	20,933	(5,593)	971	16,311	15,121	1,190	92.7 %	15,456	15,242
Municipal Funding and Revenue Support	25,313	(7,181)	(1,083)	17,049	17,047	2	100.0 %	26,635	26,601
Development Planning	17,365	4,144	46	21,555	21,545	10	100.0 %	25,759	25,759
Municipal Demarcation Board	74,191	-	-	74,191	74,191	-	100.0 %	73,104	73,104
South African Cities Network	8,664	-	-	8,664	8,664	-	100.0 %	8,538	8,538
Municipal Governance	15,755	(686)	66	15,135	15,030	105	99.3 %	17,394	17,393
Research and Knowledge Management	26,056	(5,063)	-	20,993	20,979	14	99.9 %	17,610	17,516
South African Local Government Association	36,949	-	-	36,949	36,949	-	100.0 %	36,408	36,408
United Cities and Local Governments of Africa	-	-	-	-	-	-	- %	8,001	-
Local Government Equitable Share	101,177,734	-	-	101,177,734	99,503,727	1,674,007	98.3 %	95,188,741	92,261,856
Municipal Systems Improvement Grant	173,298	-	-	173,298	135,968	37,330	78.5 %	146,516	53,753
Total	**101,581,300**	**(13,270)**	**-**	**101,568,030**	**99,855,350**	**1,712,680**	**98.3 %**	**95,574,137**	**92,546,145**
Economic classification									
Current payments									
Compensation of employees	82,813	(8,000)	2,000	76,813	75,644	1,169	98.5 %	84,879	84,785
Goods and services	200,849	(5,763)	(3,490)	191,596	154,192	37,404	80.5 %	173,907	80,895
Total current payments	**283,662**	**(13,763)**	**(1,490)**	**268,409**	**229,836**	**38,573**	**85.6 %**	**258,786**	**165,680**

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
3. INTERGOVERNMENTAL POLICY AND GOVERNANCE									
Transfers and subsidies									
Provinces and municipalities	101,177,734	-	-	101,177,734	99,503,727	1,674,007	98.3 %	95,188,741	92,261,856
Departmental agencies and accounts	111,140	-	-	111,140	111,140	-	100.0 %	109,512	109,512
Foreign governments and international organisations	-	-	-	-	-	-	- %	1,576	-
Non-profit institutions	8,664	-	-	8,664	8,664	-	100.0 %	14,963	8,538
Households	100	1	1,490	1,591	1,491	100	93.7 %	505	505
Total transfers and subsidies	**101,297,638**	**1**	**1,490**	**101,299,129**	**99,625,022**	**1,674,107**	**98.3 %**	**95,315,297**	**92,380,411**
Payments for capital assets									
Machinery and equipment	-	129	-	129	129	-	100.0 %	50	50
Payments for financial assets	-	363	-	363	363	-	100.0 %	4	4
Total	**101,581,300**	**(13,270)**	**-**	**101,568,030**	**99,855,350**	**1,712,680**	**98.3 %**	**95,574,137**	**92,546,145**

APPROPRIATION STATEMENT

Annual Financial Statements for the year ended 31 March 2025

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
4. NATIONAL DISASTER MANAGEMENT CENTRE									
Sub programme									
Management: Head National Disaster Management centre	22,344	7,023	-	29,367	26,098	3,269	88.9 %	36,729	32,322
Disaster Policy, Institutional Development and Compliance	11,290	(3,241)	-	8,049	7,808	241	97.0 %	8,044	7,981
Disaster Risk Reduction and Capacity Development	12,192	(2,024)	-	10,168	9,370	798	92.2 %	10,247	9,447
Disaster Preparedness, Response and Recovery Coordination	43,922	(27,854)	-	16,068	15,791	277	98.3 %	15,582	14,637
Municipal Disaster Recovery Grant	1,424,958	-	-	1,424,958	1,424,958	-	100.0 %	1,505,387	1,334,573
Disaster Response Grant	527,687	-	-	527,687	527,687	-	100.0 %	890,575	873,172
Total	**2,042,393**	**(26,096)**	**-**	**2,016,297**	**2,011,712**	**4,585**	**99.8 %**	**2,466,564**	**2,272,132**
Economic classification									
Current payments									
Compensation of employees	29,498	(1,000)	600	29,098	27,905	1,193	95.9 %	25,260	24,828
Goods and services	54,550	(25,197)	(606)	28,747	28,479	268	99.1 %	37,308	36,596
Total current payments	**84,048**	**(26,197)**	**(6)**	**57,845**	**56,384**	**1,461**	**97.5 %**	**62,568**	**61,424**
Transfers and subsidies									
Provinces and municipalities	1,952,645	-	6	1,952,651	1,952,651	-	100.0 %	2,395,968	2,207,751
Non-profit institutions	-	95	-	95	95	-	100.0 %	95	95
Households	2,000	-	-	2,000	1,994	6	99.7 %	2,492	2,429
Total transfers and subsidies	**1,954,645**	**95**	**6**	**1,954,746**	**1,954,740**	**6**	**100.0 %**	**2,398,555**	**2,210,275**
Payments for capital assets									
Machinery and equipment	3,700	-	-	3,700	582	3,118	15.7 %	5,431	423
Payments for financial assets	-	6	-	6	6	-	100.0 %	10	10
Total	**2,042,393**	**(26,096)**	**-**	**2,016,297**	**2,011,712**	**4,585**	**99.8 %**	**2,466,564**	**2,272,132**

	2024/2025							2023/2024	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
5. COMMUNITY WORK PROGRAMME									
Sub programme									
Coordination, Partnerships and Implementation	3,107,421	46,018	-	3,153,439	3,324,301	(170,862)	105.4 %	3,513,814	3,595,593
Monitoring and Evaluation	49,846	(34,443)	-	15,403	14,306	1,097	92.9 %	7,856	7,037
Total	**3,157,267**	**11,575**	**-**	**3,168,842**	**3,338,607**	**(169,765)**	**105.4 %**	**3,521,670**	**3,602,630**
Economic classification									
Current payments									
Compensation of employees	19,636	5,300	-	24,936	23,839	1,097	95.6 %	18,066	17,225
Goods and services	3,136,831	5,200	-	3,142,031	3,313,555	(171,524)	105.5 %	3,497,791	3,582,604
Total current payments	**3,156,467**	**10,500**	**-**	**3,166,967**	**3,337,394**	**(170,427)**	**105.4 %**	**3,515,857**	**3,599,829**
Transfers and subsidies									
Households	600	(104)	-	496	45	451	9.1 %	170	167
Total transfers and subsidies	**600**	**(104)**	**-**	**496**	**45**	**451**	**9.1 %**	**170**	**167**
Payments for capital assets									
Other fixed structures	-	-	-	-	-	-	- %	158	158
Machinery and equipment	200	288	-	488	277	211	56.8 %	5,362	2,353
Total payments for capital assets	**200**	**288**	**-**	**488**	**277**	**211**	**56.8 %**	**5,520**	**2,511**
Payments for financial assets	-	891	-	891	891	-	100.0 %	123	123
Total	**3,157,267**	**11,575**	**-**	**3,168,842**	**3,338,607**	**(169,765)**	**105.4 %**	**3,521,670**	**3,602,630**

NOTES TO THE APPROPRIATION STATEMENT

1. Details of transfers and subsidies as per Appropriation Act (after Virement):

Details of these transactions can be viewed in the notes on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the annual financial statements.

2. Details of specifically and exclusively appropriated amounts voted (after Virement):

Details of these transactions can be viewed in note 1 Annual appropriation to the annual financial statements.

3. Details on payments for financial assets:

Details of these transactions per programme can be viewed in the notes on Payments for financial assets to the annual financial statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
ADMINISTRATION	384,856	362,532	22,324	5.8 %

The under-expenditure in this programme, amounting to 5.8%, is attributed primarily to delays in the processing of a foreign payment related to Microsoft license renewals. Due to cross-border payment protocols, the transaction could not be concluded before the 31 March 2025 financial year-end.

INTERGOVERNMENTAL SUPPORT	18,757,898	18,756,416	1,482	- %

The underspending is as a result of withholding MIG grant due to non-performance according to DORA requirements.

INTERGOVERNMENTAL POLICY AND GOVERNANCE	101,568,030	99,855,350	1,712,680	1.7 %

The underspending is due to withholding of LGES grant and also the slow movement of MSIG grant. It should be noted that 4 of the 14 projects funded from the MSIG are still in procurement. The SLA was concluded with the DBSA to manage the DDM/RMO project. Ten of the projects are currently under implementation, with appointments recently made for an additional two (2). One project could not proceed beyond the BEC as there were no qualifying bidders, while a request for quotations was reissued for the 3rd time on the Red Tape Reduction project.

NATIONAL DISASTER MANAGEMENT CENTRE	2,016,297	2,011,712	4,585	0.2 %

The underspending on goods and services is a result of delays in the implementation of the Procurement Plan. This delay occurred subsequent to an agreement among NATJOINT members that the SANDF would establish the Nerve Centre, which would incorporate NDMC needs. The allocation for this purpose will fund capacity building through the DBSA.

COMMUNITY WORK PROGRAMME	3,168,842	3,338,607	(169,765)	(5.4)%

The appointment of Implementing Agents, whose contracts expired on 30 September 2024, contributed to overspending due to the payment of Project Management Fees, It is important to highlight that the CWP's budget for the 2024/25 Financial Year was significantly reduced, necessitating a reduction in the number of participants, with no new recruits, promotions, or replacements to prevent unauthorised expenditure. However, participant exits are solely reliant on natural attrition. The unit is also implementing cost containment measures, such as delaying staff appointments and managing procurement, to mitigate the risk of unauthorised expenditure.

NOTES TO THE APPROPRIATION STATEMENT

4.2 Per economic classification

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
Current payments				
Compensation of employees	377,359	372,679	4,680	1.2 %
Goods and services	3,579,773	3,697,030	(117,257)	(3.3)%
Interest and rent on land	-	65	(65)	- %
Transfers and subsidies				
Provinces and municipalities	121,330,335	119,656,328	1,674,007	1.4 %
Departmental agencies and accounts	517,819	517,819	-	- %
Public corporations and private enterprises	-	31	(31)	- %
Foreign governments and international organisations	390	373	17	4.4 %
Non-profit institutions	8,759	8,759	-	- %
Households	5,074	4,018	1,056	20.8 %
Payments for capital assets				
Buildings and other fixed structures	58,309	57,842	467	0.8 %
Machinery and equipment	15,349	6,515	8,834	57.6 %

Compensation of Employees: A 4.7% increase in the cost-of-living adjustment necessitated fund prioritisation and a shift from goods and services to COE to address the anticipated overspend.

Goods and Services:The appointment of Implementing Agents influenced overspending due to the payment of Project Management Fees. Furthermore, the salary adjustments have an impact on the budget. Additionally, it should be noted that the department's budget was significantly reduced for the 2024/25 Financial Year. Consequently, the Programme had to substantially reduce the number of participants and there are no new recruits and promotions of participants to avoid incurring further unauthorised expenditure.

Transfers and Subsidies: The Municipal Infrastructure Grant have some urgent payments for municipalities in KZN. Following the Minister of Finance's decision to support the DCoG's request to provide additional funding to the five municipalities in the KZN province, National Treasury, in terms of section 27(1) of the Division of Revenue Act, 2024 (Act No. 24 of 2024) approved that the 2024/25 MIG allocation be transferred before the commencement of the 2024 Division of Revenue Act, however MISA failed to submit their claim on time as per the agreed payment schedule.

4.3 Per conditional grant

	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R '000	R '000	R '000	%
Municipal Infrastructure Grant	17,112,664	17,112,197	467	- %
IUDG	1,145,564	1,145,564	-	- %
Disaster Relief/Recovery Grant	1,424,958	1,424,958	-	- %
Disaster Response Grant	527,687	527,687	-	- %
Municipal Systems Improvement Grant	173,298	135,968	37,330	21,5 %

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2024/2025 R '000	2023/2024 R '000
Revenue			
Annual appropriation	1	125,895,923	119,973,742
Departmental revenue	2	5,165	7,441
Total revenue		**125,901,088**	**119,981,183**
Expenditure			
Current expenditure			
Compensation of employees	3	372,679	355,487
Goods and services	4	3,697,031	3,918,239
Interest and rent on land	5	65	2
Total current expenditure		**4,069,775**	**4,273,728**
Transfers and subsidies	7	120,187,797	112,507,800
Expenditure for capital assets			
Tangible assets	8	64,356	15,698
Intangible assets	8	-	-
Total expenditure for capital assets		**64,356**	**15,698**
Unauthorised expenditure approved without funding		-	-
Payments for financial assets	6	2,689	2,868
Total expenditure		**124,324,617**	**116,800,094**
Surplus for the year		**1,576,471**	**3,181,089**
Reconciliation of Net Surplus/(Deficit) for the year			
Annual appropriation		1,533,509	2,862,668
Conditional grants		37,797	310,980
Voted Funds		**1,571,306**	**3,173,648**
Departmental revenue and NRF Receipts	13	5,165	7,441
Surplus for the year		**1,576,471**	**3,181,089**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note(s)	2024/2025 R '000	2023/2024 R '000
Assets			
Current Assets			
Cash and cash equivalents	9	1,394,829	3,078,178
Prepayments and advances	10	5,797	9,875
Receivables	11	87,658	88,364
Total Assets		**1,488,284**	**3,176,417**
Liabilities			
Current Liabilities			
Voted funds to be surrendered to the Revenue Fund	12	1,742,829	3,258,461
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	13	576	706
Payables	14	2,338	3,186
Total Liabilities		**1,745,743**	**3,262,353**
Net Assets		**(257,459)**	**(85,936)**
Represented by:			
Unauthorised expenditure		(257,459)	(85,936)

STATEMENT OF CHANGES IN NET ASSETS

	Note	2024/2025 R '000	2023/2024 R '000
Unauthorised expenditure			
Opening balance		(85,936)	(1,123)
Unauthorised expenditure - current year			
Relating to overspending of the vote or main division within the vote		(171,523)	(84,813)
Closing balance		**(257,459)**	**(85,936)**

CASH FLOW STATEMENT

	Note(s)	2024/2025 R '000	2023/2024 R '000
Cash flows from operating activities			
Receipts			
Annual appropriated funds received	1.1	125,895,923	119,973,742
Departmental revenue received	2	2,139	4,756
Interest received	2.2	2,694	2,685
		125,900,756	**119,981,183**
Net (increase)/ decrease in working capital		3,936	20,450
Surrendered to Revenue Fund		(3,263,756)	(4,330,633)
Current payments		(4,069,710)	(4,273,726)
Interest paid	5	(65)	(2)
Payments for financial assets		(2,689)	(2,868)
Transfers and subsidies paid		(120,187,797)	(112,507,800)
Net cash flow available from operating activities	15	**(1,619,325)**	**(1,113,396)**
Cash flows from investing activities			
Payments for capital assets	8	(64,356)	(15,698)
Proceeds from sale of capital assets	2.3	332	-
Net cash flows from investing activities		**(64,024)**	**(15,698)**
Net increase/ (decrease) in cash and cash equivalents		(1,683,349)	(1,129,094)
Cash and cash equivalents at beginning of year		3,078,178	4,207,272
Cash and cash equivalents at the end of the year	16	**1,394,829**	**3,078,178**

ACCOUNTING POLICIES

Summary of significant accounting policies

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the Annual Financial Statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999) and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The annual financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The annual financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R '000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rand using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's annual financial statements. Where necessary figures included in the prior period annual financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's annual financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

ACCOUNTING POLICIES

7. Revenue (continued)

Appropriated funds are measured at the amounts receivable.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Departmental revenue is measured at the cash amount received.

In-kind donations received are recorded in the notes to the annual financial statements on the date of receipt and are measured at fair value. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the annual financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (as well as related interest and penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

Donations made in kind are recorded in the notes to the annual financial statements on the date of transfer and are measured at cost or fair value.

ACCOUNTING POLICIES

8. Expenditure (continued)

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the annual financial statements at cost or fair value at the reporting date.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

The operating lease commitments are recorded in the notes to the annual financial statements.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the annual financial statements and are not apportioned between the capital and interest portions.

At commencement of the finance lease term, finance lease assets acquired are recorded and measured at:

- the fair value of the leased asset; or if lower,
- the present value of the minimum lease payments.

Finance lease assets acquired prior to 1 April 2024 are recorded and measured at the present value of the minimum lease payments.

9. Aid assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the annual financial statements on the date of receipt and is measured at fair value.

CARA Funds are recognised when receivable and measured at the amounts receivable.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

ACCOUNTING POLICIES

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost, plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, Annual Financial Statements include an estimation of the reduction in the recorded carrying value to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset., is recorded in the notes to the annual financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the annual financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to annual financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the annual financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

ACCOUNTING POLICIES

16. Capital assets (continued)

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1 Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the annual financial statements at cost. Intangible assets acquired through a non- exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the annual financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and contingents

17.1 Provisions

Provisions are recorded in the notes to the annual financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and 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 of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the annual financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the annual financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

ACCOUNTING POLICIES

17. Provisions and contingents (continued)

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the annual financial statements.

18. Unauthorised expenditure

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

Unauthorised expenditure is recognised in the statement of changes in net assets until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure recorded in the notes to the annual financial statements comprise of:

- unauthorised expenditure that was under assessment in the previous financial year;
- unauthorised expenditure relating to previous financial year and identified in the current year; and
- unauthorised expenditure incurred in the current year.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure receivables are recognised in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Fruitless and wasteful expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed, and comprises of:

- fruitless and wasteful expenditure that was under assessment in the previous financial year;
- fruitless and wasteful expenditure relating to previous financial year and identified in the current year; and
- fruitless and wasteful expenditure incurred in the current year.

20. Irregular expenditure

Losses emanating from irregular expenditure are recognised as a receivable in the statement of financial position when recoverable. The receivable is measured at the amount that is expected to be recovered and is de-recognised when settled or subsequently written-off as irrecoverable.

Irregular expenditure is recorded in the notes to the annual financial statements when and at amounts confirmed and comprises of:

- irregular expenditure that was under assessment in the previous financial year;
- irregular expenditure relating to previous financial year and identified in the current year; and
- irregular expenditure incurred in the current year.

ACCOUNTING POLICIES

21. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statements.

23. Principal-Agent arrangements

The Department has appointed DBSA as an implementing agent.

The DBSA is providing additional resourcing, which assists the department in the execution of its mandate.

The Department is responsible for all the costs associated with the arrangement, and DBSA acts as an agent of the department. All related expenditure, assets and liabilities have been recognised and recorded in line with the relevant policies listed herein.

Expenditure for project management fees incurred during the year relates to the payment of retention fees for expired Implementing Agent's contract of the Community Work Programme (CWP).

The Municipal Infrastructure Support Agency was appointed by the Minister as an implementing agent for uThukela and Emfuleni 6B projects.

24. Departures from the MCS requirements

Departures from the MCS requirements: None

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Minister's portfolio are recorded in the notes to the annual financial statements when the transaction is not at arm's length.

The full compensation of key management personnel is recorded in the notes to the financial statements.

ACCOUNTING POLICIES

28. Inventories

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public-Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the annual financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is recorded in the employee benefits note.

Accruals and payables not recognised for employee benefits are measured at cost or fair value at the reporting date.

The provision for employee benefits is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfers of functions are accounted for by the transfer or by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

1. Annual appropriation

1.1 Annual appropriation

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2024/2025			2023/2024		
	Final budget	Actual funds received	Funds not requested/ not received	Final budget	Appropriation	Funds not requested/ not received
	R '000	R '000	R '000	R '000	R '000	R '000
Programmes						
Administration	384,856	384,856	-	364,939	364,939	-
Intergovernmental support	18,757,898	18,757,898	-	18,046,432	18,046,432	-
Intergovernmental policy and governance	101,568,030	101,568,030	-		95,574,137	-
National disaster management centre	2,016,297	2,016,297	-	2,466,564	2,466,564	-
Community work programme	3,168,842	3,168,842	-	3,521,670	3,521,670	-
Total	**125,895,923**	**125,895,923**	**-**	**119,973,742**	**119,973,742**	**-**

1.2 Conditional grants

	Note(s)	2024/2025 R '000	2023/2024 R '000
Total grants received	31	20,384,171	20,086,511
Provincial grants included in total grants received		149,345	-

2. Departmental revenue

	Note(s)	2024/2025 R '000	2023/2024 R '000
Sales of goods and services other than capital assets	2.1	249	228
Interest, dividends and rent on land	2.2	2,694	2,685
Sales of capital assets	2.3	332	-
Transactions in financial assets and liabilities	2.4	1,890	4,528
Total revenue collected		**5,165**	**7,441**

2.1 Sales of goods and services other than capital assets

	Note(s)	2024/2025 R '000	2023/2024 R '000
Sales by market establishment		99	100
Administrative fees		-	1
Other sales		105	98
Sales of goods and services produced by the department		**204**	**199**
Sales of scrap, waste and other used current goods		45	29
Total		**249**	**228**

Sale of goods and services is inclusive of revenue from scrap and waste for disposal, parking, commissions from financial institutions for payroll deductions, etc.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

2.2 Interest, dividends and rent on land

	Note(s)	2024/2025 R '000	2023/2024 R '000
Interest		2,694	2,685

Interest received from funds in the bank account

2.3 Sales of capital assets

Tangible assets

	Note(s)	2024/2025 R '000	2023/2024 R '000
Machinery and equipment		332	-

Revenue received from disposal of old motor vehicles.

2.4 Transactions in financial assets and liabilities

	Note(s)	2024/2025 R '000	2023/2024 R '000
Receivables		274	298
Other receipts including recoverable revenue		1,616	4,230
Total	2	**1,890**	**4,528**

Other receipts mainly consisting of recovery of losses from CWP Implementing Agents, are lower than previous years because most were recovered in 2023/24 Financial Year.

2.5 Transfers received

2.5.1 Gifts, donations and sponsorships received in-kind (not included in the main note or sub note)

	Note(s)	2024/2025 R '000	2023/2024 R '000
Sponsorships		503	1,537

Prior years had high value sponsors for the BRICS related events which was not the case for 2024/25.

3. Compensation of employees

3.1 Salaries and wages

	Note(s)	2024/2025 R '000	2023/2024 R '000
Basic salary		254,563	243,658
Service based		1,219	731
Compensative/circumstantial		4,435	4,300
Other non-pensionable allowances		70,336	66,933
Total		**330,553**	**315,622**

Included in service based are payments for leave discounting and long service award 20yrs, 30yrs & 40yrs due to a higher number of officials qualifying for the awards compared to the 2023/24 Financial Year.

3.2 Social contributions

Employer contributions

	Note(s)	2024/2025 R '000	2023/2024 R '000
Pension		31,927	30,737
Medical		10,142	9,074
Bargaining council		57	54
Total		**42,126**	**39,865**
Total compensation of employees		**372,679**	**355,487**
Average number of employees		453	456

The average is slightly lower due fluctuation of appointments and termination during the year, but the expenditure is slightly higher due to number grade progressions that were implemented in 2024/25.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

4. Goods and services

	Note(s)	2024/2025 R '000	2023/2024 R '000
Administrative fees		29,481	30,715
Advertising		4,824	1,942
Minor assets	4.1	627	1,157
Bursaries (employees)		1,165	868
Catering		2,258	2,962
Communication		10,470	8,436
Computer services	4.2	41,612	48,442
Consultants: Business and advisory services		116,735	76,995
Legal services		8,689	15,064
Contractors		3,188,108	3,451,417
Agency and support / outsourced services		93,708	54,768
Audit cost - external	4.3	16,747	16,823
Fleet services		2,707	2,620
Consumables	4.4	4,097	24,942
Operating leases		57,783	56,857
Property payments	4.5	29,976	30,844
Rental and hiring		836	4,139
Travel and subsistence	4.6	65,595	65,908
Venues and facilities		6,353	6,653
Training and development		12,433	13,129
Other operating expenditure	4.7	2,827	3,558
Total		**3,697,031**	**3,918,239**

4.1 Minor assets

Tangible assets

Machinery and equipment		627	1,107
Biological assets		-	50
		627	**1,157**

Lower spending minor assets due to budget cut on Community Work Programme (CWP).

4.2 Computer services

SITA computer services		18,868	19,454
External computer service providers		22,744	28,988
Total	4	**41,612**	**48,442**

Microsoft invoices that came late to be processed in the new year.

4.3 Audit cost - external

Regularity audits		16,747	16,823

Slightly lower hours worked in the current year compared to the previous year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4. Goods and services (continued)

4.4 Consumables

	Note(s)	2024/2025 R '000	2023/2024 R '000
Uniform and clothing		329	10,899
Household supplies		98	1,487
Building material and supplies		122	6,339
Communication accessories		-	30
IT consumables		516	270
Other consumables		1,170	2,051
Consumable supplies		**2,235**	**21,076**
Stationery, printing and office supplies		1,862	3,866
Total	4	**4,097**	**24,942**

Lower procurement of consumables due to budget cut on Community Work Programme (CWP).

4.5 Property payments

	Note(s)	2024/2025 R '000	2023/2024 R '000
Municipal services		15,958	13,776
Other		14,018	17,068
Total	4	**29,976**	**30,844**

4.6 Travel and subsistence

	Note(s)	2024/2025 R '000	2023/2024 R '000
Local		61,904	61,692
Foreign		3,691	4,216
Total	4	**65,595**	**65,908**

Some international trips were sponsored during the FY 2024/25.

4.7 Other operating expenditure

	Note(s)	2024/2025 R '000	2023/2024 R '000
Professional bodies, membership and subscription fees		1,139	1,217
Resettlement costs		60	51
Other		1,628	2,290
Total	4	**2,827**	**3,558**

Others include courier services, competency assessments, storage services, wellness program expenditure, etc.

4.8 Remuneration of members of a commission or committee (Included in Consultants: Business and advisory services)

Name of Commission/ Committee	2024/2025 R '000	2023/2024 R '000
Audit Committee	719	1,390
Risk Management Committee	259	188
Total	**978**	**1,578**

The Audit Committee had fewer members than the year 2023/24, and the department had a Risk Committee chairperson for the whole financial year while previous one left during the FY.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

5. Interest and rent on land

Interest paid		65	2

Interest paid on the Government Pension Fund in respect of backdated pension contributions paid late for a re-instated official.

6. Payments for financial assets

Other material losses written off	6.1	2,648	2,590
Debts written off	6.2	41	278
Total		**2,689**	**R2,868**

In agregate slightly lower than the previous year.

6.1 Other material losses written off

Nature of losses			
Claims Receivables		-	2,139
VAT		-	266
Damages & Losses		2,648	185
Total	6	**2,648**	**2,590**

After all the required procedures were completed and approval was received, the costs for damaged cars, hired cars, and other losses from 2011 to 2018 were written off. Some of these losses could not be tracked down, while others had already been prescribed and could not be recovered.

6.2 Debts written off

Nature of debts written off			
Other debt written off			
Staff Debts Written off		41	278

Old staff debts that could not be recovered (includes deceased staff member).

6.3 Details of theft

7. Transfers and subsidies

Provinces and municipalities	32, 33	119,656,328	111,983,663
Departmental agencies and accounts	Annexure 1B	517,819	510,988
Foreign governments and international organisation	Annexure 1E	373	378
Non-profit institutions	Annexure 1F	8,759	8,633
Households	Annexure 1G	4,518	4,138
Total		**120,187,797**	**112,507,800**

7.1 Gifts, donations and sponsorships made in kind (not included in the main note)

Gifts		5	35

Gift expenditure lesser than previous year because there was fewer procurement of gifts for international guest.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

8. Expenditure for capital assets

	Note(s)	2024/2025 R '000	2023/2024 R '000
Tangible capital assets			
Buildings and other fixed structures	28	57,841	158
Machinery and equipment	26	6,515	15,540
		64,356	**15,698**

The following amounts have been included as project costs in expenditure for capital assets

		2024/2025 R '000	2023/2024 R '000
Goods and services		2,173	-

The building and other fixed structure upgrades are higher because of the projects implemented by MISA on behalf of the department at the municipalities on behalf of DCoG during the current year.

8.1 Analysis of funds utilised to acquire capital assets - 2024/2025

	Voted funds R '000	Aid assistance R '000	Total R '000
Tangible capital assets			
Buildings and other fixed structures	57,841	-	57,841
Machinery and equipment	6,515	-	6,515
	64,356	**-**	**64,356**

The building and other fixed structural upgrades are higher because of the projects implemented by MISA on behalf of the department at the municipalities on behalf of DCoG during the current year.

8.2 Analysis of funds utilised to acquire capital assets - 2023/2024

	Voted funds R '000	Aid assistance R '000	Total R '000
Tangible capital assets			
Buildings and other fixed structures	158	-	158
Machinery and equipment	15,540	-	15,540
	15,698	**-**	**15,698**

8.3 Finance lease expenditure included in expenditure for capital assets

	2024/2025 R '000	2023/2024 R '000
Tangible capital assets		
Machinery and equipment	-	661
Biological assets	-	-
Total	**-**	**661**

No expenditure for finance lease machines, the previous year's contract expired and the new contract is an operating lease.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

9. Cash and cash equivalents

	Note(s)	2024/2025 R '000	2023/2024 R '000
Consolidated paymaster general account		1,344,487	3,043,671
Cash on hand		30	30
Investments (Domestic)		50,312	34,477
Total		**1,394,829**	**3,078,178**

Cash flow projections were managed better while the capital expenditure and transfers were higher during this financial year.

Investment Domestic mainly include the Standard bank account balance for the CWP wages for the participants since they were backdated stipend not yet paid at the end of March 2025.

10. Prepayments and advances

	Note(s)	2024/2025 R '000	2023/2024 R '000
Travel and subsistence		46	39
Prepayments (Not expensed)	10.2	-	304
Advances paid (Not expensed)	10.1	5,751	9,532
Total		**5,797**	**9,875**

Analysis of total prepayments and advances

		2024/2025 R '000	2023/2024 R '000
Current prepayments and advances		5,797	9,875

Prepayments from CWP Implementing agencies were cleared and other implementing agencies expenditures were cleared regularly which resulted in lower balances not cleared by year end.

10.1 Advances paid (Not expensed)

	Note	Balance as at 01 April 2024 R '000	Less: Amount expensed in current year R '000	Add/Less: Other R '000	Add: Current year advances R '000	Balance as at 31 March 2025 R '000
National departments		1,192	(4,217)	12	5,130	2,117
Public entities		8,340	(88,136)	1,117	82,313	3,634
Total	10	**9,532**	**(92,353)**	**1,129**	**87,443**	**5,751**

Advances paid (not expensed) relate to advance paid during 2024/25 financial year to GCIS, SANRAL & DBSA.

	Note	Balance as at 01 April 2023 R '000	Less: Amount expensed in current year R '000	Add/Less: Other R '000	Add: Current year advances R '000	Balance as at 31 March 2024 R '000
National departments		49	(1,687)	-	2,830	1,192
Public entities		31	(23,652)	-	31,961	8,340
Other entities		319	(1,919)	-	1,600	-
Total	10	**399**	**(27,258)**	**-**	**36,391**	**9,532**

Advances paid (not expensed) relate to advance paid during 2024/25 financial year to GCIS, SANRAL & DBSA.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

10. Prepayments and advances (continued)

10.2 Prepayments (Not expensed)

	Balance as at 01 April 2024	Less: Amount expensed in current year	Add/Less: Other	Add: Current year prepayments	Balance as at 31 March 2025
	R '000	R '000	R '000	R '000	R '000
Listed by economic classification					
Goods and services	304	(522)	-	218	-

	Balance as at 01 April 2023	Less: Amount expensed in current year	Add/Less: Other	Add: Current year prepayments	Balance as at 31 March 2024
	R '000	R '000	R '000	R '000	R '000
Listed by economic classification					
Goods and services	24,857	(24,553)	-	-	304

11 Receivables

		2024/2025			2023/2024		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R '000	R '000	R '000	R '000	R '000	R '000
Claims recoverable	11.1	554	-	554	820	-	820
Recoverable expenditure	11.2	3,239	-	3,239	3,690	-	3,690
Staff debt	11.3	567	-	567	501	-	501
Other receivables	11.4	83,298	-	83,298	83,353	-	83,353
Total		**87,658**	**-**	**87,658**	**88,364**	**-**	**88,364**

In July and August 2018, the Department mistakenly made a payment of the Municipality Infrastructure Grant to a supplier whose name closely resembled the intended recipient. Subsequently, efforts were made to recall some of the funds from the bank. In response, disciplinary actions were initiated against six officials involved in the incident.

11.1 Claims recoverable

National departments		554	820

11.2 Recoverable expenditure

Disallowance :Miscellaneous		213	-
Disallowance :Damages & Losses		3,026	3,689
Sal: Tax Debt		-	1
Total	11	**3,239**	**3,690**

Larger portion of Disallowance: Damages and Losses relates to car accidents that are still under investigation to determine liability.

11.3 Staff debt

Debt Account		567	501

Included in the staff Debts are debts relating to Bursary due to breach of contracts, Damages / Losses (damages of hired vehicles, loss of laptop, etc.), previous year's salary overpayments and leave without pay.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

11.4 Other receivables

	Note(s)	2024/2025 R '000	2023/2024 R '000
Wrongful Payment		77,942	77,942
Ex_Councillors Gratuity Overpayments		92	147
NPO's		5,264	5,264
Total	11	**83,298**	**83,353**

In July and August 2018, the department mistakenly made a payment of the Municipality Infrastructure Grant to a supplier whose name closely resembled the intended recipient. Subsequently, efforts were made to recall some of the funds from the bank. In response, disciplinary actions were initiated against six officials involved in the incident.

Furthermore, the Special Commercial Crimes Unit (HAWKS) and State Attorney have taken legal action against the supplier to rectify and recover the erroneous payment. An amount of R55.5 million has been successfully recovered. The department anticipates further recovery of R77.9 million through the ongoing court proceedings.

11.5 Impairment of receivables

	2024/2025 R '000	2023/2024 R '000
Estimate of impairment of receivables	6,215	2,373

The impairment amount estimated at accounts receivable balances that are 3 years and over plus R90 000 non recoverable from FNB related to the Sekhukhune matter.

12. Voted funds to be surrendered to the Revenue Fund

	2024/2025 R '000	2023/2024 R '000
Opening balance	3,258,461	4,318,357
Transferred from statement of financial performance (as restated)	1,571,306	3,173,648
Add: Unauthorised expenditure for current year	171,523	84,813
Paid during the year	(3,258,461)	(4,318,357)
Closing balance	**1,742,829**	**3,258,461**

Unauthorised expenditure due to overspending of the main division within the vote (Community Work Programme (CWP) as a result of budget cuts.

12.1 Reconciliation of unspent conditional grants

	Note(s)	2024/2025 R '000	2023/2024 R '000
Opening balance		310,980	-
Total conditional grants received	1.2	20,384,171	20,086,511
Total conditional grants spent		(20,346,374)	(19,775,531)
Unspent conditional grants to be surrendered		**348,777**	**310,980**
Not approved for rollover		(310,980)	-
Closing balance	12	**37,797**	**310,980**

13. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	2024/2025 R '000	2023/2024 R '000
Opening balance	706	5,541
Transferred from statement of financial performance (as restated)	5,165	7,441
Paid during the year	(5,295)	(12,276)
Closing balance	**576**	**706**

Departmental revenue includes revenue from scrap and waste for disposal, parking, commissions from financial institutions for payroll deductions, revenue from disposal of old vehicles, recovery of previous years expenditure, etc.

Revenue collected is less than the previous year because most recoveries of losses from CWP Implementing Agents were recorded in 2023/24 Financial Year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

14. Payables - current

	Note(s)	2024/2025 R '000	2023/2024 R '000
Advances received	14.1	-	376
Clearing accounts	14.2	141	404
Other payables	14.3	2,197	2,406
Total		**2,338**	**3,186**

14.1 Advances received

	Note(s)	2024/2025 R '000	2023/2024 R '000
Public entities	Annexure 8B	-	376

Department did not receive advances from any institution

14.2 Clearing accounts

	Note(s)	2024/2025 R '000	2023/2024 R '000
Sal: GEHS Refund		126	334
Sal:Income Tax		15	39
Disallowance Misc		-	31
Total	14	**141**	**404**

Late interfaces to be paid in the new financial year

14.3 Other payables

	Note(s)	2024/2025 R '000	2023/2024 R '000
Debt Receivable Interest		49	41
Debt Receivable Income		522	739
CWP Payables		1,626	1,626
Total	14	**2,197**	**2,406**

CWP payables consist of the refund due for expenditure incurred by the IA's on behalf of the department that was not yet refunded by reporting date due to matter being at arbitration.

15. Net cash flow available from operating activities

	2024/2025 R '000	2023/2024 R '000
Net surplus as per Statement of Financial Performance	1,576,471	3,181,089
Add back non cash/ cash movements not deemed operating activities		
(Increase)/ decrease in receivables	706	15,877
(Increase)/ decrease in prepayments and advances	4,078	15,405
Increase/ (decrease) in payables – current	(848)	(10,832)
Proceeds from sale of capital assets	(332)	-
Expenditure on capital assets	64,356	15,698
Surrenders to Revenue Fund	(3,263,756)	(4,330,633)
Net cash flow generated by operating activities	**(1,619,325)**	**(1,113,396)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

16. Reconciliation of cash and cash equivalents for cash flow purposes

		2024/2025 R '000	2023/2024 R '000
Consolidated paymaster general account		1,344,487	3,043,671
Cash on hand		30	30
Cash with commercial banks (Local)		50,312	34,477
Total		**1,394,829**	**3,078,178**

Cash with commercial bank includes the Standard Bank account balance for the CWP wages for the participants and deposit account. The bank account is higher because of the termination of the + 60 yrs participants who had to be paid backdated stipend for their labour when they were reinstated.

17. Contingent liabilities and contingent assets

17.1 Contingent liabilities

Liable to	Nature	Note(s)	2024/2025 R '000	2023/2024 R '000
Claims against the department		Annexure 3B	47,937	43,289

A former NPO's retention fee claim and a former councillor's once-off gratuity that was paid but then contested are the subject of the department's lawsuit. A case was opened with SAPS, while the municipality's internal investigation revealed possible fraud. Depending on the outcome, the councilor may have to be compensated.

17.2 Contingent assets

Nature of contingent asset	2024/2025 R '000	2023/2024 R '000
Maphalala NR	58	58

Money paid to a former councillor under investigation due to suspicion of fraud, uncertain due to a pending case under investigation by SAPS, money paid might be due to the department.

18. Capital commitments

	2024/2025 R '000	2023/2024 R '000
Machinery and equipment	1,497	1,460

Consist of capital orders issued for the goods not yet delivered by the reporting date.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

19. Accruals and payables not recognised

19.1 Accruals

	2024/2025			2023/2024
	30 Days	30+ Days	Total	Total
	R '000	R '000	R '000	R '000
Listed by economic classification				
Goods and services	16,683	12,109	28,792	21,683
Transfers and subsidies	-	-	-	490
Capital assets	7,451	-	7,451	-
Total	**24,134**	**12,109**	**36,243**	**22,173**

Listed by programme level		
Administration	9,408	9,229
Local Government Support & Intervention	8,246	708
Institutional Development	493	1,930
National Disaster Management Centre	541	1,068
Community Work Programme	17,555	9,238
Total	**36,243**	**22,173**

Accruals increased mainly because of the confirmed retention fees due to CWP implementing agents for old contracts and the invoices for services rendered by MISA on behalf of the department.

19.2 Payables not recognised

	2024/2025			2023/2024
	30 Days	30+ Days	Total	Total
	R '000	R '000	R '000	R '000
Listed by economic classification				
Goods and services	38,896	9,342	48,238	30,680
Capital assets	3,791	6,131	9,922	-
Total	**42,687**	**15,473**	**58,160**	**30,680**

Listed by programme level		
Programme 1: Administration	25,151	18,044
Programme 2: Local Government Support and Intervention Management	10,438	265
Programme 3: Institutional Development	603	1,121
Programme 4: National Disaster Management Centre	1	66
Programme 5: Community Works Programme	21,967	11,184
Total	**58,160**	**30,680**

Payables increased mainly because Microsoft high value invoices received late, DOJ, MISA, CWP wages, etc. not paid by reporting date.

Included in the above totals are the following:

Confirmed balances with other departments	Annexure 5	2,744	1,452
Confirmed balances with other government entities	Annexure 5	16,095	903
Total		**18,839**	**2,355**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

20. Employee benefits

		2024/2025 R '000	2023/2024 R '000
Leave entitlement		18,144	16,920
Service bonus		9,424	9,082
Capped leave		3,234	4,277
Other		304	627
Total		**31,106**	**30,906**

The leave entitlement is derived from the monetary value of leave credits remaining from the previous 2024 cycle which ended on 31 December 2024, as well as accrued in the new leave cycle from 01 January 2025 to 31 March 2025. Employees with less than 10 years of service accrue 1.83 per month, and those with more than 10 years of service accrue 2.5 per month.

The leave entitlement includes 8 employees with negative leave balances, which total -R6239.93. These 8 employees applied for more leave days than credits accrued at 31 March 2025. It should be noted however, that employees receive their full accrual upfront for the entire year (1.83x12 = 22 or 2.5x12 = 30, or a pro-rata value, if they achieve 10 years of service during the year). Capped leaves have gone down due to the number of retirements during 2024/25 and being paid out as a lump sum gratuity.

Included in the above totals are the following:

Confirmed balances with government entities	Annexure 5	-	491

21. Lease commitments

21.1 Operating leases

2024/2025

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R '000	R '000	R '000	R '000	R '000
Not later than 1 year	-	-	4,455	1,837	6,292
Later than 1 year and not later than 5 years	-	-	-	2,400	2,400
Total lease commitments	**-**	**-**	**4,455**	**4,237**	**8,692**

2023/2024

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R '000	R '000	R '000	R '000	R '000
Not later than 1 year	-	-	3,928	-	3,928

Month-to-month lease building, new contract for parking and new contract for photocopier machines.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

21. Lease commitments (continued)

21.2 Finance leases

2023/2024

	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R '000	R '000	R '000	R '000	R '000
Not later than 1 year	-	-	-	328	328

Lease contract expired.

22. Unauthorised, Irregular and Fruitless and wasteful expenditure

	2024/2025	2023/2024
Unauthorised expenditure	171,524	84,813
Irregular expenditure	72,926	74,753
Fruitless and wasteful expenditure	802	110
Total	**245,252**	**159,676**

Unauthorised expenditure incurred due to overspending on CWP participants' wages as a result of budget reduction by National Treasury. Irregular expenditure for CWP old contracts and Irregular lease expenditure, SCM procurement non-compliance. Fruitless expenditure consists of no-shows on accommodation bookings incurred during the year, the payments made to deceased participants (CWP) and back payments and payments made to the participants on PERSAL (CWP).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

23. Related party transactions

List related party relationships and the nature thereof

Department of Traditional Affairs (DTA)	Develop and monitor the implementation of national policy and legislation seeking to transform and strengthen key institutions and mechanism of governance to fulfil their developmental role.	The relationship is that we report to one Minister, DCoG performs some of the corporate functions through a signed MoU by the two Accounting Officers.
Municipal Infrastructure Support Agency (MISA)	Provides immediate support to the Municipalities that are struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to Municipalities and oversees them.	There were no related party transactions with MISA, however, it suffices to state that we share a Minister. MISA was also appointed as implementing agency for the department.
Municipal Demarcation Board (MDB)	Is responsible for determining municipal boundaries, declare district management areas, delimit wards for local elections and assess the capacity of municipalities to perform their functions.	There were no related party transactions with MDB, however, suffice to state that we share a Minister.
South African Local Government Association (SALGA)	Transforms local government to enable it to fulfil its developmental mandate. SALGA essentially protects and represents the interest of local government and acts as an employer body for its municipal members.	There were no related party transactions with SALGA, however, it suffices to state that we share a Minister.

24. Key management personnel

	2024/2025 R '000	2023/2024 R '000
Political office bearers (provide detail below)	4,887	4,675
Level 15 to 16	16,026	12,281
Level 14 (incl. CFO if at a lower level)	1,838	2,316
Total	**22,751**	**19,272**

The Key Management Personnel higher especially on level 16 because of a high number of officials compared to previous year.

25. Provisions

	2024/2025 R '000	2023/2024 R '000
Retention & Close Out Costs - Old CWP Contracts C2	8,277	8,473
Retention Costs - New CWP Contracts C3	2,937	4,942
Retention Costs - OLD CWP Contracts C1	2,433	16,913
Retention Costs - New CWP Contracts C4	2,465	-
Total	**16,112**	**30,328**

Current balance was reduced by the retention fees confirmed and paid to implementing agents.

Remaining amounts are still under scrutiny to confirm the obligation on supporting documents for some of the former Implementing Agents.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

25.1 Reconciliation of movement in provisions - 2024/2025

	Old CWP Contract C2	C3 CWP Contracts	Old CWP Contracts C1	C4 CWP Contracts	Total provisions
	R '000	R '000	R '000	R '000	R '000
Opening balance	8,473	4,942	16,913	-	30,328
Increase in provision	-	-	-	2,465	2,465
Settlement of provision	-	(2,005)	(2,785)	-	(4,790)
Change in provision due to change in estimation of inputs	(196)	-	(11,695)	-	(11,891)
Closing balance	**8,277**	**2,937**	**2,433**	**2,465**	**16,112**

25.2 Reconciliation of movement in provisions - 2023/2024

	CWP C2	CWP C3	CWP C1	Total provisions
	R '000	R '000	R '000	R '000
Opening balance	34,265	12,643	25,781	72,689
Settlement of provision	(26,615)	(7,701)	(8,868)	(43,184)
Change in provision due to change in estimation of inputs	823	-	-	823
Closing balance	**8,473**	**4,942**	**16,913**	**30,328**

CWP C2, C3 and C1 possible obligation arose from the contracts with a group of Implementing Agents that ended on 31 March 2022 and C4 contract, retention fees were withheld in line with the Service Level Agreement. However, when the terms and conditions were met, the retention fees were paid accordingly. The remaining amounts are still under scrutiny to confirm the obligation in line with the supporting documents for some of the former Implementing Agents.

26. Movable tangible capital assets

Movement in movable tangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000	R '000
Heritage assets	137	-	(12)	125	
Machinery and equipment					
Transport assets	38,448	2,159	(3,622)	36,985	
Computer equipment	91,121	2,432	(6,464)	87,089	
Furniture and office equipment	21,011	1,347	(2,478)	19,880	
Other machinery and equipment	174,207	1,139	(18,245)	157,101	
	324,787	**7,077**	**(30,809)**	**301,055**	
Biological assets					
Biological assets	972	-	(949)	23	
Total movable tangible capital assets	**325,896**	**7,077**	**31,770**	**301,203**	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

26. Movable tangible capital assets (continued)

Opening balance was restated by the correction of the prior year errors and the additions include non-cash additions (assets that were added on the asset register due to reasons other than procurement and being paid for by the departments).

Movable tangible capital assets under investigation

	Number R '000	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	214	4,264

The assets under investigation relate to assets that could not be physically verified in the current financial year. Some of these assets have been reported stolen and cases have been opened. Once investigations are complete, these assets will be recommended for write-off or recovery.

26.1 Movement for 2023/2024

Movement in movable tangible capital assets per asset register for the year ended 31 March 2024

	Opening balance R '000	Prior period error R '000	Additions R '000	Disposals R '000	Closing balance R '000
Heritage assets					
Heritage assets	137	-	-	-	137
Machinery and equipment					
Transport assets	25,398	11,473	4,376	(2,799)	38,448
Computer equipment	92,461	1,229	8,160	(10,729)	91,121
Furniture and office equipment	21,714	1,741	489	(2,933)	21,011
Other machinery and equipment	193,564	(3,873)	2,308	(17,792)	174,207
	333,137	**10,570**	**15,333**	**(34,253)**	**324,787**
Biological assets					
Biological assets	2,752	(1)	-	(1,779)	972
Total movable tangible capital assets	**336,026**	**10,569**	**15,333**	**(36,032)**	**325,896**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

26. Movable tangible capital assets (continued)

26.1.1 Prior period error

	Note	2023/2024 R '000
Nature of prior period error		
Relating to 2022/2023 (affecting the opening balance) Correction of understatement of machinery & equipment		10,570
Correction of overstatement of biological assets		(1)
		10,569
Relating to 2023/2024		
Correction of the disposal overstatement which resulted in understament on the closing balance		1,701
Correction of understatement of machinery & equipment		267
Correction of understatement of machinery & equipment		187
		2,155
Total prior period errors		**12,724**

The closing balance disclosed in the audited Annual Report for 2023/24 was restated by the correction of the prior year errors identified above. The prior period error relates to assets not previously recorded on the financial records, derecognised assets, assets disposed in prior years, duplicated assets, misclassified items, fair valued assets and classification between asset categories.

26.2 Minor assets

Movement in minor capital assets per the asset register for the year ended as at 31 March 2025

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Opening balance	-	4	57	52,001	4,238	-	56,300
Additions	-	-	-	644	16	-	660
Disposals	-	(4)	-	(5,743)	(3,371)	-	(9,118)
Total minor capital assets	**-**	**-**	**57**	**46,902**	**883**	**-**	**47,842**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Number of minor assets at cost	-	-	18	30,065	289	-	30,372

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

26. Movable tangible capital assets (continued)

Minor capital assets under investigation

	Number	Value R '000
Included in the above total of the minor capital asets per the asset register are assets that are under investigation:		
Machinery and equipment	583	994

"The assets under investigation relate to assets that could not be physically verified in the current financial year. Some of these assets have been reported stolen and cases have been opened. Once investigations is complete these assets will be recommended for write-off or recovery."

Movement in minor capital assets per the asset register for the year ended as at 31 March 2024

	Specialised military assets	Intangible assets	Heritage assets	Other machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Opening balance	-	100	57	61,050	5,914	-	67,121
Prior period errors	-	(23)	-	8,708	517	-	9,202
Additions	-	-	-	1,421	50	-	1,471
Disposals	-	(73)	-	(19,178)	(2,243)	-	(21,494)
Total minor capital assets	**-**	**4**	**57**	**52,001**	**4,238**	**-**	**56,300**

	Specialised military assets	Intangible assets	Heritage assets	Other machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Number of minor assets at cost	-	3	18	38,602	310	-	38,933

26.2.1 Prior period error

	Note	2023/2024 R '000
Nature of prior period error		
Relating to 2022/2023 (affecting the opening balance) Correction of understatement of machinery & equipment		8,708
Correction of overstatement of intangible assets		(23)
Correction of understatement of Biological Assets		517
		9,202
Relating to 2023/2024		
Correction of understatement of machinery & equipment		310
Total prior period errors		**9,512**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

26. Movable tangible capital assets (continued)

The closing balance disclosed in the audited Annual Report for 2023/24 was restated by the correction of the prior year errors identified above. The prior period error relates to assets not previously recorded on the financial records, derecognised assets, assets disposed in prior years, duplicated assets, misclassified items, fair valued assets and classification between asset categories.

26.3 Movable tangible capital assets written off

Movable capital assets written off for the year ended as at 31 March 2025

	Specialised military assets	Intangible assets	Heritage assets	Other machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Assets written off	-	4	-	13,018	4,320	-	17,34

Movable capital assets written off for the year ended as at 31 March 2024

	Specialised military assets	Intangible assets	Heritage assets	Other machinery and equipment	Biological assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Assets written off	-	104	-	42,638	5,208	-	47,950

Assets were written off after all the necessary processes and approval were obtained from the correct authority.

27. Intangible capital assets

Movement in intangible capital assets per asset register for the year ended 31 March 2025

	Opening balance	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000
Software	784	-	-	784

27.1 Movement for 2023/2024

Movement in intangible capital assets per asset register for the year ended 31 March 2024

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R '000	R '000	R '000	R '000	R '000
Software	949	(99)	-	(66)	784

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

27. Intangible capital assets (continued)

27.1.1 Prior period error

	Note	2023/2024 R '000
Nature of prior period error		
Relating to 2022/2023 (affecting the opening balance)		
Correction of overstatement of intangible assets		(99)

The closing balance disclose in the annual report was restated with the correction of prior year errors above.

28. Immovable tangible capital assets

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2025

	Opening balance R '000	Additions R '000	Disposals R '000	Closing balance R '000
Buildings and other fixed structures				
Other fixed structures	24,976	-	(500)	24,476

Immovable tangible capital assets under investigation

	Number	Value R '000
Included in the above total of the immovable tangible capital assets per the asset register are assets that are under investigation:		
Buildings and other fixed structures	1	52

The asset under investigation relates to an asset that could not be physically verified in the current financial year. Once investigations are complete the asset will be recommended for write-off or recovery.

28.1 Movement for 2023/2024

Movement in immovable tangible capital assets per asset register for the year ended 31 March 2024

	Opening balance R '000	Prior period error R '000	Additions R '000	Disposals R '000	Closing balance R '000
Buildings and other fixed structures					
Other fixed structures	11,326	15,623	158	(2,131)	24,976

28.1.1 Prior period error

	Note	2023/2024 R '000
Nature of prior period error		
Relating to 2022/2023 (affecting the opening balance)		
Correction of understatement of building and other fixed structure		15,623

The closing balance disclosed in the audited annual report for 2023/24 has been restated by the correction of the prior year errors above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

28. Immovable tangible capital assets (continued)

28.2 Immovable tangible capital assets: Capital work-in-progress

Capital work-in-progress as at 31 March 2025

	Note	Opening balance	Current year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance
		R '000	R '000	R '000	R '000
Buildings and other fixed structures		-	57,842	-	57,842

WIP for the schedule 6B projects for uThukela District Municipality and Emfuleni Local Municipality.

Payables not recognised relating to capital work-in-progress

	2024/2025	2023/2024
Amounts relating to progress certificates received but not paid at year end and therefore not included in capital work-in-progress	9,922	-

28.3 Immovable tangible capital assets written off

Immovable tangible capital assets written off for the year ended as at 31 March 2025

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Finance lease assets
	R '000	R '000	R '000	R '000
Assets written off	500	-	-	-

Immovable tangible capital assets written off for the year ended as at 31 March 2024

	Buildings and other fixed structures	Heritage assets	Land and subsoil assets	Finance lease assets	Total
	R '000	R '000	R '000	R '000	R '000
Assets written off	4,859	-	-	-	4,859

The asset above assets were written off after all the necessary procedures and approvals were obtained from the delegated authority.

29. Principal-agent arrangements

29.1 Department acting as the principal

	2024/2025	2023/2024
CWP Implementing Agents	57,383	49,986
Development Bank Of Southern Africa	4,245	2,433
Municipal Infrastructure Support Agency	1,007	-
Total	**62,635**	**52,419**

The Department has appointed Implementing Agents under the Community Works Programme (CWP) to assist in creating work opportunities for participants who are involved in useful work in all municipalities in the country on behalf of the Department.

The Department has also entered into an agreement with the Development Bank of Southern Africa to assist in providing DDM programme management services on behalf of the Department.

Municipal Infrastructure Support Agency was appointed as an implementing agent of the department for the project through the 6B grant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

30. Prior period errors

30.1 Correction of prior period errors

2023/2024

	Note	Amount bef error correction	Prior period error	Restated amount
		R '000	R '000	R '000
Assets: (e.g. Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets, etc.)				
Machinery & Equipment<R5000		42,983	9,018	52,001
Intangible Assets <R5000		27	(23)	4
Biological assets<R5000		3,721	517	4,238
Transport assets		25,274	13,174	38,448
Computer equipment		89,729	1,392	91,121
Furniture and office equipment		19,083	1,928	21,011
Other machinery and equipment		177,976	(3,769)	174,207
Biological assets		973	(1)	972
Intangible Assets		883	(99)	784
Immovable tangible assets		9,353	15,623	24,976
Net effect		**370,002**	**37,760**	**407,762**

The prior period error relates to assets not previously recorded on the financial records, derecognised assets, assets disposed in prior years, duplicated assets, misclassified items, fair valued assets and classification between asset categories.

The Machinery & equipment <R5000 was understated by R9 018 000.00

Biological Asset <R5000 was understated by R517 000.00

Intangible Assets <R5000 was overstated by R 23 000.00

Machinery & Equipment was understated by R 12 275 000.00. Overall the breakdown follows:

Transport assets for 2022/23 was understated by R11 473 000.00
Transport assets for 2023/24 (disposal) was overstated by R1 701 000.00

Computer equipment for 2022/23 was understated by R 1 229 000.00
Computer equipment for 2023/24 was understated by R 163 000.00

Furniture and office equipment for 2022/23 was understated by R1 741 000.00
Furniture and office equipment for 2023/24 was understanded by R 187 000.00

Other machinery and equipment 2022/23 was overstated by R3 873 000.00
Other machinery and equipment 2023/24 was understated by R104 000.00

Biological assets for 2022/23 was overstated by R1 000.00

Intangible Assets for 2022/23 was overstated by R99 000
Immovable assets for 2022/23 was understated by R15 623 000

All the above adjustments were effected to ensure the correct presentation of the assets in the disclosure note for the assets.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Note(s)	2024/2025 R '000	2023/2024 R '000

30. Prior period errors (continued)

	Note	Amount bef error correction	Prior period error	Restated amount
		R '000	R '000	R '000
Liabilities: (e.g. Payables current, Voted funds to be surrendered, Commitments, Provisions, etc.)				
Contingent liabilities	25	44,960	(1,671)	43,289

Contingent liabilities were overstated by an amount of R1 671 000.00 as a result of an order issued by the office of the State Attorney on the 24 March 2024 declaring the matter as archived.

The correction is required to ensure fair presentation of the contingent liability opening balance in the disclosure note.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31. Statement of conditional grants received

	Grant allocation				2024/2025	Spent				2023/2024	
Name of grant	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (Overspen-ding)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	%	R '000	R '000
Municipal Infrastructure Grant	17,112,664	-	-	-	17,112,664	17,112,664	17,112,197	467	100 %	16,371,585	16,341,585
Integrated Urban Development Grant	1,145,564	-	-	-	1,145,564	1,145,564	1,145,564	-	100%	1,172,448	1,172,448
Disaster Response/Relief Grant	527,687	-	-	-	527,687	527,687	527,687	-	100% 2024/2025	890,575	873,172
Disaster Recovery Grant	741,003	-	-	683,955	1,424,958	1,424,958	1,424,958	-	100%	1,505,387	1,334,573
Municipal System Improvement Grant	144,596	28,702	-	-	173,298	173,298	135,968	37,330	78.5%	146,516	53,753
	19,671,514	**28,702**	**-**	**683,955**	**20,384,171**	**20,384,171**	**20,346,374**	**37,797**		**20,086,511**	**19,775,531**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

32. Statement of conditional grants paid to the provinces

	Grant allocation				Transfer			Spent				2023/2024	
Name of Grant	Division of Revenue Act	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by department	Amount spent by department	Unspent funds	% of available funds spent by department	Division of Revenue Act	Actual Transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Summary by province													
Eastern Cape	40,345	-	-	40,345	40,345	-	-	40,345	-	-	- %	-	-
KwaZulu-Natal	44,000	-	-	44,000	44,000	-	-	44,000	-	-	- %	-	-
Limpopo	36,000	-	-	36,000	36,000	-	-	36,000	-	-	- %	-	-
Mpumalanga	29,000	-	-	29,000	29,000	-	-	29,000	-	-	- %	-	-
Total Summary by province	**149,345**	**-**	**-**	**149,345**	**149,345**	**-**	**-**	**149,345**	**-**	**-**	**- %**	**-**	**-**
Summary by grant													
Disaster Response Grant	149,345	-	-	149,345	149,345	-	-	149,345	-	-	- %	-	-
1. Disaster Response Grant													
Eastern Cape	40,345	-	-	40,345	40,345	-	-	40,345	-	-	- %	-	-
KwaZulu-Natal	44,000	-	-	44,000	44,000	-	-	44,000	-	-	- %	-	-
Limpopo	36,000	-	-	36,000	36,000	-	-	36,000	-	-	- %	-	-
Mpumalanga	29,000	-	-	29,000	29,000	-	-	29,000	-	-	- %	-	-
	149,345	**-**	**-**	**149,345**	**149,345**	**-**	**-**	**149,345**	**-**	**-**	**- %**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

33. Statement of conditional grants and other transfers to municipalities

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
IUDG GRANT									
GT481 MOGALE CITY	132,461	-	-	132,461	132,461	-	-	158,007	158,007
KZN216 RAY NKONYENI	86,740	-	-	86,740	86,740	-	-	88,848	88,848
KZN282 UMHLATHUZE LOCAL MUNICIPALITY	152,438	-	-	152,438	152,438	-	-	171,579	171,579
LIM354 POLOKWANE LOCAL MUNICIPALITY	414,066	-	-	414,066	414,066	-	-	435,949	435,949
MP313 STEVE TSHWETE	78,737	-	-	78,737	78,737	-	-	76,765	76,765
NC091 SOL PLAATJIE	75,856	-	-	75,856	75,856	-	-	63,395	63,395
WC023 DRAKENSTEIN	68,546	-	-	68,546	68,546	-	-	58,616	58,616
WC024 STELLENBOSCH	62,301	-	-	62,301	62,301	-	-	59,410	59,410
WC044 GEORGE	74,419	-	-	74,419	74,419	-	-	59,879	59,879
Total IUDG Grant	**1,145,564**	**-**	**-**	**1,145,564**	**1,145,564**	**-**	**-**	**1,172,448**	**1,172,448**
DISASTER RESPONSE GRANT									
BUF BUFFALO CITY	44,600	-	-	44,600	44,600	-	-	-	-
NMA NELSON MANDELA BAY	53,999	-	-	53,999	53,999	-	-	-	-
EC101 DR BEYERS NAUDE LOCAL MUN	-	-	-	-	-	-	-	3,500	3,500
EC102 BLUE CRANE ROUTE	-	-	-	-	-	-	-	3,200	3,200
EC104 MAKANA	-	-	-	-	-	-	-	9,200	9,200
EC105 NDLAMBE	-	-	-	-	-	-	-	11,250	11,250
EC108 KOUGA	-	-	-	-	-	-	-	13,550	13,550
EC121 MBHASHE	-	-	-	-	-	-	-	7,485	7,485

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC122 MNQUMA	-	-	-	-	-	-	-	4,000	4,000
EC123 GREAT KEI	-	-	-	-	-	-	-	17,420	17,420
EC124 AMAHLATI	-	-	-	-	-	-	-	4,700	4,700
EC126 NGQUSHWA	-	-	-	-	-	-	-	6,200	6,200
EC131 INXUBA YETHEMBA	-	-	-	-	-	-	-	5,600	5,600
EC135 INTSIKA YETHU	-	-	-	-	-	-	-	4,190	4,190
EC136 EMALAHLENI	-	-	-	-	-	-	-	3,395	3,395
EC137 ENGCOBO	-	-	-	-	-	-	-	6,500	6,500
EC138 SAKHISIZWE	-	-	-	-	-	-	-	3,940	3,940
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	-	-	-	-	-	-	-	7,316	7,316
DC13 CHRIS HANI DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	11,055	11,055
EC141 ELUNDINI	-	-	-	-	-	-	-	12,307	12,307
EC142 SENQU	-	-	-	-	-	-	-	20,666	20,666
EC153 NGOUZA HILL	-	-	-	-	-	-	-	4,138	4,138
EC154 PORT ST JOHNS	-	-	-	-	-	-	-	20,530	20,530
EC155 NYANDENI	-	-	-	-	-	-	-	4,600	4,600
EC156 MHLONTLO	-	-	-	-	-	-	-	5,100	5,100
EC157 KI SABATA DALINDYEBO	-	-	-	-	-	-	-	5,360	5,360
EC441 MATATIELE	-	-	-	-	-	-	-	2,251	2,251
EC442 UMZIMVUBU	-	-	-	-	-	-	-	3,500	3,500
EC443 MBIZANA	-	-	-	-	-	-	-	19,190	19,190
MAN MANGAUNG	-	-	-	-	-	-	-	13,150	13,150

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
FS181 MASILONYANA	-	-	-	-	-	-	-	2,629	2,629
FS184 MATJHABENG	10,000	-	-	10,000	10,000	-	-	-	-
FS192 DIHLABENG	-	-	-	-	-	-	-	16,853	16,853
FS196 MATSOPA	-	-	-	-	-	-	-	14,084	14,084
FS201 MOQHAKA	-	-	-	-	-	-	-	11,000	11,000
FS204 METSIMAHOLO	-	-	-	-	-	-	-	1,000	1,000
JHB CITY OF JOHANNESBURG	-	-	-	-	-	-	-	61,700	61,700
ETH ETHEKWINI	8,015	-	-	8,015	8,015	-	-	-	-
KZN212 UMDONI LOCAL MUNICIPALITY	14,853	-	-	14,853	14,853	-	-	9,400	9,400
KZN213 UMZUMBE	23,700	-	-	23,700	23,700	-	-	-	-
KZN216 RAY NKONYENI	22,760	-	-	22,760	22,760	-	-	-	-
DC21 UGU DISTRICT MUNICIPALITY	15,500	-	-	15,500	15,500	-	-	9,950	9,950
KZN223 MPOFANA	-	-	-	-	-	-	-	10,000	10,000
KZN238 ALFRED DUMA	-	-	-	-	-	-	-	11,775	11,775
DC23 UTHUKELA DISTRICT MUNICIPALITY	6,900	-	-	6,900	6,900	-	-	-	-
KZN242 NQUTHU	5,100	-	-	5,100	5,100	-	-	-	-
KZN244 MSINGA	3,203	-	-	3,203	3,203	-	-	-	-
KZN245 UMVOTI	6,400	-	-	6,400	6,400	-	-	-	-
DC24 UMZINYATHI DIST MUNICIPAL	6,525	-	-	6,525	6,525	-	-	-	-
KZN252 NEWCASTLE	5,500	-	-	5,500	5,500	-	-	-	-
KZN254 DANNHAUSER	-	-	-	-	-	-	-	6,500	6,500
KZN261 EDUMBE	6,800	-	-	6,800	6,800	-	-	-	-
KZN263 ABAQULUSI	5,400	-	-	5,400	5,400	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN266 ULUNDI	5,505	-	-	5,505	5,505	-	-	-	-
DC26 ZULULAND DISTRICT MUNICIPALITY	9,085	-	-	9,085	9,085	-	-	-	-
KZN271 UMHLABUYALINGANA	5,275	-	-	5,275	5,275	-	-	-	-
KZN275 MTUBATUBA	-	-	-	-	-	-	-	9,868	9,868
KZN281 MFOLOZI	5,300	-	-	5,300	5,300	-	-	-	-
KZN284 UMHLAZI	-	-	-	-	-	-	-	8,500	8,500
KZN285 MTHONJANENI LOCAL MUNICIPALITY	4,250	-	-	4,250	4,250	-	-	-	-
KZN286 NKANDLA	5,000	-	-	5,000	5,000	-	-	-	-
KZN291 MANDENI	5,181	-	-	5,181	5,181	-	-	-	-
KZN293 NDWEDWE	-	-	-	-	-	-	-	10,450	10,450
KZN294 MAPHUMULO	-	-	-	-	-	-	-	11,700	11,700
LIM331 GREATER GIYANI	-	-	-	-	-	-	-	8,000	8,000
LIM332 GREATER LETABA	-	-	-	-	-	-	-	3,900	3,900
LIM333 GREATER TZANEEN	-	-	-	-	-	-	-	3,950	3,950
LIM341 MUSINA LOCAL MUNICIPALITY	-	-	-	-	-	-	-	3,554	3,554
LIM344 MAKHADO	-	-	-	-	-	-	-	3,500	3,500
LIM345 NEW LOCAL MUNICIPALITY	-	-	-	-	-	-	-	4,500	4,500
LIM351 BLOUBERG LOCAL MUNICIPALITY	-	-	-	-	-	-	-	4,000	4,000
LIM353 MOLEMOLE LOCAL MUNICIPALITY	-	-	-	-	-	-	-	22,056	22,056
LIM354 POLOKWANE LOCAL MUNICIPALITY	-	-	-	-	-	-	-	4,500	4,500

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM355 LEPELLENKUMPI	-	-	-	-	-	-	-	19,500	19,500
LIM362 LEPHALALE	-	-	-	-	-	-	-	7,600	7,600
LIM367 MOGALAKWENA	-	-	-	-	-	-	-	11,200	11,200
LIM368 MODIMOLLE/MOOKGOPONG LOCAL MUNICIPALITY	-	-	-	-	-	-	-	11,022	11,022
MP301 ALBERT LUTHULI	-	-	-	-	-	-	-	8,150	8,150
MP302 MSUKALINGWA	-	-	-	-	-	-	-	16,000	16,000
MP303 MKHONDO	6,500	-	-	6,500	6,500	-	-	8,000	8,000
MP305 LEKWA	-	-	-	-	-	-	-	6,625	6,625
MP306 DIPALESENG	-	-	-	-	-	-	-	5,750	5,750
MP312 EMALAHLENI	-	-	-	-	-	-	-	13,000	13,000
MP314 EMAKHAZENI	-	-	-	-	-	-	-	16,950	16,950
MP315 THEMBISILE	4,700	-	-	4,700	4,700	-	-	1,150	1,150
MP316 DR JS MOROKA	-	-	-	-	-	-	-	100	100
MP321 THABA CHWEU	-	-	-	-	-	-	-	14,680	14,680
MP324 NKOMAZI	-	-	-	-	-	-	-	16,230	16,230
MP325 BUSHBUCKRIDGE	-	-	-	-	-	-	-	43,100	43,100
MP326 MBOMBELA/UMJINDI LOCAL	-	-	-	-	-	-	-	11,805	11,805
MUNICIPALITY		-	-			-	-		
NC062 NAMA KHOI	24,444	-	-	24,444	24,444	-	-	-	-
DC6 NAMAKWA DISTRICT MUNICIPALITY	8,556	-	-	8,556	8,556	-	-	-	-
NC093 MAGARENG	-	-	-	-	-	-	-	5,145	5,145
NW383 MAFIKENG	-	-	-	-	-	-	-	14,382	14,382

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NW392 NALEDI	-	-	-	-	-	-	-	13,205	13,205
NW396 LEKWA-TEEMANE	-	-	-	-	-	-	-	12,458	12,458
CPT CITY OF CAPE TOWN	17,544	-	-	17,544	17,544	-	-	4,450	4,450
WC012 CEDERBERG	6,100	-	-	6,100	6,100	-	-	7,805	7,805
WC014 SALDANHA BAY	590	-	-	590	590	-	-	-	-
WC015 SWARTLAND	9,241	-	-	9,241	9,241	-	-	350	350
WC022 WITZENBERG	3,612	-	-	3,612	3,612	-	-	-	-
WC023 DRAKENSTEIN	1,976	-	-	1,976	1,976	-	-	435	435
WC024 STELLENBOSCH	6,000	-	-	6,000	6,000	-	-	30,132	30,132
WC025 BREEDE VALLEY	7,266	-	-	7,266	7,266	-	-	-	-
WC026 LANGEBERG	2,848	-	-	2,848	2,848	-	-	25,730	25,730
WC031 THEEWATERSKLOOF	-	-	-	-	-	-	-	41,304	41,304
WC032 OVERSTRAND	-	-	-	-	-	-	-	12,472	12,472
WC042 HESSEQUA	-	-	-	-	-	-	-	5,180	5,180
WC048 KNYSNA	114	-	-	114	114	-	-	2,600	2,600
UNALLOCATED	-	-	-	-	-	-	-	17,403	-
Total Disaster Response Grant	**378,342**	**-**	**-**	**378,342**	**378,342**	**-**	**-**	**890,575**	**873,172**
MUNICIPAL INFRASTRUCTURE GRANT (MIG)									
EASTERN CAPE									
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	23,438	-	-	23,438	23,438	-	-	22,274	22,274
EC102 BLUE CRANE ROUTE	15,969	-	-	15,969	15,969	-	-	22,645	22,645

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC104 MAKANA	27,778	-	-	27,778	27,778	-	-	26,552	26,552
EC105 NDLAMBE	31,129	-	-	31,129	31,129	-	-	29,819	29,819
EC106 SUNDAYS RIVER VALLEY	39,032	-	-	39,032	39,032	-	-	27,920	27,920
EC108 KOUGA	36,446	-	-	36,446	36,446	-	-	34,868	34,868
EC109 KOUKAMA	17,216	-	-	17,216	17,216	-	-	16,395	16,395
EC121 MBHASHE	70,329	-	-	70,329	70,329	-	-	66,706	66,706
EC122 MNQUMA	80,457	-	-	80,457	80,457	-	-	77,124	77,124
EC123 GREAT KEI	12,436	-	-	12,436	12,436	-	-	11,720	11,720
EC124 AMAHLATI	37,403	-	-	37,403	37,403	-	-	30,770	30,770
EC126 NGQUSHWA	25,797	-	-	25,797	25,797	-	-	24,413	24,413
EC129 RAYMOND MHLABA	45,699	-	-	45,699	45,699	-	-	43,286	43,286
DC12 AMATOLE DISTRICT MUNICIPALITY	488,582	-	-	488,582	488,582	-	-	482,415	482,415
EC131 INXUBA YETHEMBA	18,225	-	-	18,225	18,225	-	-	24,658	24,658
EC135 INTSIKA YETHU	60,166	-	-	60,166	60,166	-	-	47,559	47,559
EC136 EMALAHLENI	48,891	-	-	48,891	48,891	-	-	36,846	36,846
EC137 ENGCOBO	44,827	-	-	44,827	44,827	-	-	42,488	42,488
EC138 SAKHISIZWE	30,684	-	-	30,684	30,684	-	-	19,557	19,557
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	63,424	-	-	63,424	63,424	-	-	60,072	60,072
DC13 CHRIS HANI DISTRICT MUNICIPALITY	327,629	-	-	327,629	327,629	-	-	322,848	322,848
EC141 ELUNDINI	45,340	-	-	45,340	45,340	-	-	50,430	50,430
EC142 SENQU	54,789	-	-	54,789	54,789	-	-	42,443	42,443
EC145 WALTER SIZULU	21,520	-	-	21,520	21,520	-	-	20,316	20,316

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC14 JOE DISTRICT MUNICIPALITY	178,376	-	-	178,376	178,376	-	-	175,999	175,999
EC153 NGOUZA HILL	81,812	-	-	81,812	81,812	-	-	60,516	60,516
EC154 PORT ST JOHNS	39,862	-	-	39,862	39,862	-	-	45,703	45,703
EC155 NYANDENI	71,339	-	-	71,339	71,339	-	-	67,667	67,667
EC156 MHLONTLO	51,631	-	-	51,631	51,631	-	-	48,947	48,947
EC157 KI SABATA DALINDYEBO	101,606	-	-	101,606	101,606	-	-	96,362	96,362
DC15 OR TAMBO DISTRICT MUNICIPALITY	720,325	-	-	720,325	720,325	-	-	713,603	713,603
EC441 MATATIELE	57,584	-	-	57,584	57,584	-	-	54,593	54,593
EC442 UMZIMVUBU	54,199	-	-	54,199	54,199	-	-	51,384	51,384
EC443 MBIZANA	56,512	-	-	56,512	56,512	-	-	53,585	53,585
EC444 NTABANKULU	41,331	-	-	41,331	41,331	-	-	29,671	29,671
DC44 ALFRED NZO DIST MUNICIPAL	427,490	-	-	427,490	427,490	-	-	423,227	423,227
FREE STATE									
FS161 LETSEMENG	25,246	-	-	25,246	25,246	-	-	19,688	19,688
FS162 KOPANONG	1,171	-	-	1,171	1,171	-	-	2,544	2,544
FS163 MOHOKARE	1,189	-	-	1,189	1,189	-	-	2,419	2,419
DC16 XHARIEP DISTRICT MUNICIPALITY	44,705	-	-	44,705	44,705	-	-	35,240	35,240
FS181 MASILONYANA	1,336	-	-	1,336	1,336	-	-	2,761	2,761
FS182 TOKOLOGO	16,430	-	-	16,430	16,430	-	-	17,700	17,700
FS183 TSWELOPELE	28,526	-	-	28,526	28,526	-	-	17,626	17,626
FS184 MATJHABENG	139,073	-	-	139,073	139,073	-	-	133,355	133,355
FS185 NALA	43,944	-	-	43,944	43,944	-	-	32,470	32,470
DC18 LEJWELEPUTSWA DISTRICT	25,308	-	-	25,308	25,308	-	-	22,687	22,687

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MUNICIPALITY FS191 SETSOTO	44,320	-	-	44,320	44,320	-	-	52,278	52,278
FS192 DIHLABENG	44,556	-	-	44,556	44,556	-	-	39,332	39,332
FS193 NKETOANA	28,869	-	-	28,869	28,869	-	-	19,648	19,648
FS194 MALUTI-A-PHOFUNG	197,555	-	-	197,555	197,555	-	-	165,502	165,502
FS195 PHUMELELA	23,788	-	-	23,788	23,788	-	-	22,771	22,771
FS196 MATSOPA	22,631	-	-	22,631	22,631	-	-	21,555	21,555
FS201 MOQHAKA	46,575	-	-	46,575	46,575	-	-	44,352	44,352
FS203 NGWATHE	42,400	-	-	42,400	42,400	-	-	36,926	36,926
FS204 METSIMAHOLO	51,629	-	-	51,629	51,629	-	-	49,399	49,399
FS205 MAFUBE	1,277	-	-	1,277	1,277	-	-	10,495	10,495
DC20 FEZILE DABI DISTRICT MUNICIPALITY	24,203	-	-	24,203	24,203	-	-	10,951	10,951
GAUTENG									
GT421 EMFULENI	160,398	-	-	160,398	160,398	-	-	59,649	59,649
GT422 MIDVAAL	46,343	-	-	46,343	46,343	-	-	34,885	34,885
GT423 LESEDI	40,276	-	-	40,276	40,276	-	-	53,813	53,813
GT484 MERAFONG CITY	76,941	-	-	76,941	76,941	-	-	73,795	73,795
GT485 RAND WEST CITY	116,031	-	-	116,031	116,031	-	-	136,863	136,863
KWAZULU NATAL									
KZN212 UMDONI LOCAL MUNICIPALITY	38,529	-	-	38,529	38,529	-	-	37,635	37,635
KZN213 UMZUMBE	41,042	-	-	41,042	41,042	-	-	29,934	29,934
KZN214 UMUZIWABANTU	26,795	-	-	26,795	26,795	-	-	25,356	25,356

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC21 UGU DISTRICT MUNICIPALITY	274,746	-	-	274,746	274,746	-	-	270,958	270,958
KZN221 UMSHWATHI	31,849	-	-	31,849	31,849	-	-	33,153	33,153
KZN222 UMNGENI	26,469	-	-	26,469	26,469	-	-	25,017	25,017
KZN223 MPOFANA	13,365	-	-	13,365	13,365	-	-	20,063	20,063
KZN224 IMPENDLE	12,982	-	-	2,982	12,982	-	-	12,245	12,245
KZN225 MSUNDUZI	230,554	-	-	230,554	230,554	-	-	229,322	229,322
KZN226 MKHAMBATHINI	18,159	-	-	18,159	18,159	-	-	17,162	17,162
KZN227 RICHMOND	20,974	-	-	20,974	20,974	-	-	22,331	22,331
DC22 UMGUNGUNDLOVU DISTRICT MUNICIPALITY	126,018	-	-	126,018	126,018	-	-	114,034	114,034
KZN235 OKHAHLAMBA	44,189	-	-	44,189	44,189	-	-	30,956	30,956
KZN237 INKOSI ILANGALIBALELE	43,819	-	-	43,819	43,819	-	-	41,513	41,513
KZN238 ALFRED DUMA	82,415	-	-	82,415	82,415	-	-	63,613	63,613
DC23 UTHUKELA DISTRICT MUNICIPALITY	183,673	-	-	183,673	183,673	-	-	196,538	196,538
KZN241 UNDUMENI	17,155	-	-	17,155	17,155	-	-	17,416	17,416
KZN242 NQUTHU	46,128	-	-	46,128	46,128	-	-	39,222	39,222
KZN244 MSINGA	43,516	-	-	43,516	43,516	-	-	50,244	50,244
KZN245 UMVOTI	44,480	-	-	44,480	44,480	-	-	32,647	32,647
DC24 UMZINYATHI DIST MUNICIPAL	214,137	-	-	214,137	214,137	-	-	211,672	211,672
KZN252 NEWCASTLE	131,129	-	-	131,129	131,129	-	-	133,499	133,499
KZN253 EMADLANGENI	10,160	-	-	10,160	10,160	-	-	17,028	17,028
KZN254 DANNHAUSER	24,921	-	-	24,921	24,921	-	-	23,581	23,581
DC25 AMAJUBA DISTRICT MUNICIPALITY	46,315	-	-	46,315	46,315	-	-	45,323	45,323

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN261 EDUMBE	20,507	-	-	20,507	20,507	-	-	19,385	19,385
KZN262 UPHONGOLO	40,696	-	-	40,696	40,696	-	-	30,954	30,954
KZN263 ABAQULUSI	43,212	-	-	43,212	43,212	-	-	40,385	40,385
KZN265 NONGOMA	34,876	-	-	34,876	34,876	-	-	34,983	34,983
KZN266 ULUNDI	38,780	-	-	38,780	38,780	-	-	46,885	46,885
DC26 ZULULAND DISTRICT MUNICIPALITY	262,939	-	-	262,939	262,939	-	-	256,512	256,512
KZN271 UMHLABUYALINGANA	40,541	-	-	40,541	40,541	-	-	45,883	45,883
KZN272 JOZINI	43,490	-	-	43,490	43,490	-	-	50,211	50,211
KZN275 MTUBATUBA	36,784	-	-	36,784	36,784	-	-	42,309	42,309
KZN276 BIG FIVE/HLABISA LOCAL MUNICIPALITY	24,436	-	-	24,436	24,436	-	-	30,584	30,584
DC27 UMKHANYAKUDE DISTRICT MUNICIPALITY	244,239	-	-	244,239	244,239	-	-	241,535	241,535
KZN281 MFOLOZI	37,418	-	-	37,418	37,418	-	-	32,180	32,180
KZN284 UMHLAZI	57,042	-	-	57,042	57,042	-	-	58,576	58,576
KZN285 MTHONJANENI LOCAL MUNICIPALITY	20,490	-	-	20,490	20,490	-	-	19,370	19,370
KZN286 NKANDLA	26,189	-	-	26,189	26,189	-	-	24,785	24,785
DC28 UTHUNGULU DISTRICT MUNICIPALITY	194,543	-	-	194,543	194,543	-	-	191,737	191,737
KZN291 MANDENI	41,101	-	-	41,101	41,101	-	-	46,392	46,392
KZN292 KWADUKUZA	51,625	-	-	51,625	51,625	-	-	40,640	40,640
KZN293 NDWEDWE	34,473	-	-	34,473	34,473	-	-	32,654	32,654
KZN294 MAPHUMULO	25,576	-	-	25,576	25,576	-	-	19,327	19,327

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC29 ILEMBE DISTRICT MUNICIPALITY	210,272	-	-	210,272	210,272	-	-	216,306	216,306
KZN433 GRAETER KOKSTAD	26,666	-	-	26,666	26,666	-	-	18,562	18,562
KZN434 UBUHLEBEZWE	32,542	-	-	32,542	32,542	-	-	36,857	36,857
KZN435 UMZIMKHULU	55,705	-	-	55,705	55,705	-	-	47,958	47,958
KZN436 DR NKOSAZANA DLAMINI ZUMA	31,318	-	-	31,318	31,318	-	-	29,654	29,654
DC43 HARRY GWALA DISTRICT MUNICIPALITY	228,342	-	-	228,342	228,342	-	-	225,630	225,630
		-	-			-	-		
LIMPOPO									
LIM471 EMPRAIM MOGALE	63,796	-	-	63,796	63,796	-	-	36,755	36,755
LIM472 ELIAS MOTSOALEDI	91,314	-	-	91,314	91,314	-	-	60,985	60,985
LIM473 MAKHUDUTHAMAGA	97,858	-	-	97,858	97,858	-	-	94,109	94,109
LIM476 GRTR TUBATSE/FETAKGOMO	127,304	-	-	127,304	127,304	-	-	94,208	94,208
DC47 GREATER SEKHUKHUNE DISTRICT MUNICIPALITY	420,657	-	-	420,657	420,657	-	-	434,127	434,127
LIM331 GREATER GIYANI	71,163	-	-	71,163	71,163	-	-	80,991	80,991
LIM332 GREATER LETABA	87,204	-	-	87,204	87,204	-	-	64,016	64,016
LIM333 GREATER TZANEEN	111,062	-	-	111,062	111,062	-	-	105,369	105,369
LIM334 BAPHALABORWA	37,141	-	-	37,141	37,141	-	-	35,156	35,156
LIM335 MARULENG	65,913	-	-	65,913	65,913	-	-	94,274	94,274
DC33 MOPANI DISTRICT MUNICIPALITY	519,362	-	-	519,362	519,362	-	-	469,548	469,548
LIM341 MUSINA LOCAL MUNICIPALITY	30,559	-	-	30,559	30,559	-	-	31,760	31,760
LIM343 THULAMELA LOCAL MUNICIPALITY	117,147	-	-	117,147	117,147	-	-	111,145	111,145

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM344 MAKHADO	125,490	-	-	125,490	125,490	-	-	108,015	108,015
LIM345 NEW LOCAL MUNICIPALITY	116,519	-	-	116,519	116,519	-	-	91,570	91,570
DC34 VHEMBE DISTRICT MUNICIPALITY	553,504	-	-	553,504	553,504	-	-	579,773	579,773
LIM351 BLOUBERG LOCAL MUNICIPALITY	51,769	-	-	51,769	51,769	-	-	59,059	59,059
LIM353 MOLEMOLE LOCAL MUNICIPALITY	40,820	-	-	40,820	40,820	-	-	45,181	45,181
LIM355 LEPELLENKUMPI	39,172	-	-	39,172	39,172	-	-	60,029	60,029
DC35 CAPRICORN DISTRICT MUNICIPALITY	283,563	-	-	283,563	283,563	-	-	309,394	309,394
LIM361 THABAZIMBI	26,807	-	-	26,807	26,807	-	-	36,512	36,512
LIM362 LEPHALALE	35,947	-	-	35,947	35,947	-	-	56,261	56,261
LIM366 BELA BELA	37,509	-	-	37,509	37,509	-	-	28,257	28,257
LIM367 MOGALAKWENA	181,448	-	-	181,448	181,448	-	-	182,955	182,955
LIM368 MODIMOLLE/MOOKGOPONG LOCAL MUNICIPALITY	64,340	-	-	64,340	64,340	-	-	64,990	64,990
		-	-			-	-		
MPUMALANGA									
MP301 ALBERT LUTHULI	110,426	-	-	110,426	110,426	-	-	97,257	97,257
MP302 MSUKALINGWA	70,598	-	-	70,598	70,598	-	-	58,491	58,491
MP303 MKHONDO	89,973	-	-	89,973	89,973	-	-	87,400	87,400
MP304 PIXLEY KA SEME	34,131	-	-	34,131	34,131	-	-	28,835	28,835
MP305 LEKWA	33,077	-	-	33,077	33,077	-	-	31,565	31,565
MP306 DIPALESENG	21,151	-	-	21,151	21,151	-	-	16,753	16,753
MP307 GOVAN MBEKI	77,418	-	-	77,418	77,418	-	-	84,236	84,236

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC30 GERT SIBANDE DISTRICT MUNICIPALITY	5,000	-	-	5,000	5,000	-	-	-	-
MP311 VICTOR KHANYE	28,337	-	-	28,337	28,337	-	-	27,129	27,129
MP312 EMALAHLENI	139,105	-	-	139,105	139,105	-	-	134,378	134,378
MP314 EMAKHAZENI	40,533	-	-	40,533	40,533	-	-	19,596	19,596
MP315 THEMBISILE	153,335	-	-	153,335	153,335	-	-	153,174	153,174
MP316 DR JS MOROKA	144,500	-	-	144,500	144,500	-	-	140,172	140,172
MP321 THABA CHWEU	54,629	-	-	54,629	54,629	-	-	46,079	46,079
MP324 NKOMAZI	260,408	-	-	260,408	260,408	-	-	252,934	252,934
MP325 BUSHBUCKRIDGE	450,894	-	-	450,894	450,894	-	-	421,007	421,007
MP326 MBOMBELA/UMJINDI LOCAL MUNICIPALITY	386,692	-	-	386,692	386,692	-	-	383,020	383,020
		-	-			-	-		
NORTHERN CAPE									
NC061 RICHTERSVELD	12,751	-	-	12,751	12,751	-	-	7,304	7,304
NC062 NAMA KHOI	7,710	-	-	7,710	7,710	-	-	10,272	10,272
NC064 KAMIESBERG	8,009	-	-	8,009	8,009	-	-	7,545	7,545
NC065 HANTAM	20,614	-	-	20,614	20,614	-	-	10,036	10,036
NC066 KAROO HOOGLAND	5,185	-	-	5,185	5,185	-	-	8,149	8,149
NC067 KHAIMA	15,265	-	-	15,265	15,265	-	-	11,793	11,793
NC071 UBUNTU	8,664	-	-	8,664	8,664	-	-	21,470	21,470
NC072 UMSOBOMVU	24,656	-	-	24,656	24,656	-	-	11,987	11,987
NC073 EMTHANJENI	7,728	-	-	7,728	7,728	-	-	12,741	12,741
NC074 KAREEBERG	14,571	-	-	14,571	14,571	-	-	6,419	6,419
NC075 RENOSTERBERG	35,927	-	-	35,927	35,927	-	-	19,464	19,464

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC076 THEMBELIHLE	1,500	-	-	1,500	1,500	-	-	9,685	9,685
NC077 SIYATHEMBA	6,417	-	-	6,417	6,417	-	-	17,579	17,579
NC078 SIYANCUMA	26,558	-	-	26,558	26,558	-	-	15,261	15,261
NC082 !KAI ! GARIB	15,399	-	-	15,399	15,399	-	-	31,779	31,779
NC084 !KHEIS	1,627	-	-	1,627	1,627	-	-	17,086	17,086
NC085 TSANTSABANE	17,270	-	-	17,270	17,270	-	-	10,000	10,000
NC086 KGATELOPELE	8,605	-	-	8,605	8,605	-	-	32,097	32,097
NC087 DAWID KRUIPER	28,603	-	-	28,603	28,603	-	-	27,331	27,331
NC092 DIKGATLONG	22,032	-	-	22,032	22,032	-	-	21,054	21,054
NC093 MAGARENG	22,238	-	-	22,238	22,238	-	-	17,619	17,619
NC094 PHOKWANE	26,209	-	-	26,209	26,209	-	-	36,656	36,656
NC451 JOE MOROLONG	68,808	-	-	68,808	68,808	-	-	77,007	77,007
NC452 GA-SEGONYANA	69,137	-	-	69,137	69,137	-	-	59,159	59,159
NC453 GAMAGARA	9,798	-	-	9,798	9,798	-	-	9,396	9,396
		-	-			-	-		
NORTH WEST									
NW371 MORETELE	132,823	-	-	132,823	132,823	-	-	128,516	128,516
NW372 MADIBENG	326,923	-	-	326,923	326,923	-	-	316,941	316,941
NW373 RUSTENBURG	261,342	-	-	261,342	261,342	-	-	271,731	271,731
NW374 KGETLENGRIVIER	36,530	-	-	36,530	36,530	-	-	28,185	28,185
NW375 MOSES KOTANE	173,351	-	-	173,351	173,351	-	-	167,903	167,903
NW381 RATLOU	43,985	-	-	43,985	43,985	-	-	32,193	32,193
NW382 TSWAING	43,845	-	-	43,845	43,845	-	-	32,051	32,051
NW383 MAFIKENG	71,906	-	-	71,906	71,906	-	-	97,099	97,099

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NW384 DITSOBOTLA	29,749	-	-	29,749	29,749	-	-	30,995	30,995
NW385 RAMOTSHERE MOILOA	52,609	-	-	52,609	52,609	-	-	40,941	40,941
DC38 NGAKA MODIRI MOLEMA DISTRICT	342,414	-	-	342,414	342,414	-	-	286,911	286,911
MUNICIPALITY NW392 NALEDI	36,257	-	-	36,257	36,257	-	-	30,155	30,155
NW393 NAMUSA	18,257	-	-	18,257	18,257	-	-	16,732	16,732
NW394 GREATER TAUNG	65,616	-	-	65,616	65,616	-	-	52,730	52,730
NW396 LEKWA-TEEMANE	22,642	-	-	22,642	22,642	-	-	15,714	15,714
NW397 MOLOPOKAGISANO	25,802	-	-	25,802	25,802	-	-	32,946	32,946
DC39 DR RUTH SEGOMTSI MUNICIPALITY	177,872	-	-	177,872	177,872	-	-	155,156	155,156
NW403 CITY OF MATLOSANA	112,666	-	-	112,666	112,666	-	-	101,017	101,017
NW404 MAQUASSI HILLS	32,264	-	-	32,264	32,264	-	-	30,850	30,850
NW405 VENTERSDORP/TLOKWE LOCAL MUNICIPALITY	77,490	-	-	77,490	77,490	-	-	74,262	74,262
WESTERN CAPE									
WC011 MATZIKAMA	24,136	-	-	24,136	24,136	-	-	23,063	23,063
WC012 CEDERBERG	17,562	-	-	17,562	17,562	-	-	16,699	16,699
WC013 BERGRIVIER	16,274	-	-	16,274	16,274	-	-	15,437	15,437
WC014 SALDANHA BAY	16,313	-	-	16,313	16,313	-	-	27,328	27,328
WC015 SWARTLAND	29,302	-	-	29,302	29,302	-	-	23,055	23,055
WC022 WITZENBERG	25,595	-	-	25,595	25,595	-	-	24,309	24,309
WC025 BREEDE VALLEY	39,703	-	-	39,703	39,703	-	-	37,893	37,893
WC026 LANGEBERG	28,847	-	-	28,847	28,847	-	-	25,587	25,587

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
WC031 THEEWATERSKLOOF	30,254	-	-	30,254	30,254	-	-	23,842	23,842
WC032 OVERSTRAND	25,132	-	-	25,132	25,132	-	-	23,855	23,855
WC033 CAPE AGULHAS	17,085	-	-	17,085	17,085	-	-	11,440	11,440
WC034 SWELLENDAM	13,159	-	-	13,159	13,159	-	-	14,792	14,792
WC041 KANNALAND	11,199	-	-	11,199	11,199	-	-	12,412	12,412
WC042 HESSEQUA	15,228	-	-	15,228	15,228	-	-	16,625	16,625
WC043 MOSSEL BAY	27,507	-	-	27,507	27,507	-	-	26,219	26,219
WC045 OUDTSHOORN	24,669	-	-	24,669	24,669	-	-	23,559	23,559
WC047 BITOU	22,818	-	-	22,818	22,818	-	-	21,783	21,783
WC048 KNYSNA	28,487	-	-	28,487	28,487	-	-	24,202	24,202
WC051 LAINGSBURG	6,916	-	-	6,916	6,916	-	-	13,958	13,958
WC052 PRINCE ALBERT	8,025	-	-	8,025	8,025	-	-	7,555	7,555
WC053 BEAUFORT WEST	17,631	-	-	17,631	17,631	-	-	14,789	14,789
Total Municipal Infrastructure Grant (MIG)	**17,054,355**	**-**	**-**	**17,054,355**	**17,054,355**	**-**	**-**	**16,341,585**	**16,341,585**
LOCAL GOVERNMENT EQUITABLE SHARE GRANT									
M 004 EC: MUNICIPALITIES									
DC10 SARAH BAARTMAN DISTRICT MUNICIPALITY	111,120	-	-	111,120	111,120	-	-	110,303	110,303
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	121,571	-	-	121,571	121,571	-	-	114,382	114,382
EC102 BLUE CRANE ROUTE	71,200	-	-	71,200	71,200	-	-	67,222	63,422
EC104 MAKANA	129,656	-	-	129,656	129,656	-	-	121,975	98,753

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC105 NDLAMBE	136,636	-	-	136,636	136,636	-	-	128,536	128,536
EC106 SUNDAYS RIVER VALLEY	117,539	-	-	117,539	117,539	-	-	110,451	109,059
EC108 KOUGA	192,664	-	-	192,664	192,656	-	-	180,506	180,506
EC109 KOUKAMA	69,003	-	-	69,003	64,216	-	-	62,943	61,015
EC121 MBHASHE	327,167	-	-	327,167	327,167	-	-	310,734	310,734
EC122 MNQUMA	340,893	-	-	340,893	340,893	-	-	323,763	323,763
EC123 GREAT KEI	55,432	-	-	55,432	55,432	-	-	52,810	52,810
EC124 AMAHLATI	138,370	-	-	138,370	138,370	-	-	131,533	131,533
EC126 NGQUSHWA	108,015	-	-	108,015	108,015	-	-	102,706	102,706
EC129 RAYMOND MHLABA	226,658	-	-	226,658	225,142	-	-	215,390	196,050
DC12 AMATOLE DISTRICT MUNICIPALITY	1,140,317	-	-	1,140,317	1,137,344	-	-	1,089,335	1,023,045
EC131 INXUBA YETHEMBA	57,496	-	-	57,496	57,496	-	-	54,269	54,269
EC135 INTSIKA YETHU	208,343	-	-	208,343	208,343	-	-	197,942	197,942
EC136 EMALAHLENI	161,888	-	-	161,888	161,888	-	-	153,876	153,876
EC137 ENGCOBO	194,093	-	-	194,093	194,093	-	-	184,604	178,617
EC138 SAKHISIZWE	88,876	-	-	88,876	88,866	-	-	84,505	84,174
EC139 ENOCH MGIJIMA LOCAL MUNICIPALITY	243,341	-	-	243,341	243,341	-	-	229,921	229,921
DC13 CHRIS HANI DISTRICT MUNICIPALITY	736,966	-	-	736,966	736,939	-	-	695,711	695,711
EC141 ELUNDINI	200,668	-	-	200,668	200,668	-	-	190,445	190,445
EC142 SENQU	196,724	-	-	196,724	196,724	-	-	186,760	181,809
EC145 WALTER SIZULU	80,712	-	-	80,712	80,712	-	-	76,252	76,252
DC14 JOE DISTRICT MUNICIPALITY	377,427	-	-	377,427	377,227	-	-	356,119	355,969
EC153 NGOUZA HILL	346,720	-	-	346,720	346,720	-	-	329,235	329,235

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC154 PORT ST JOHNS	203,985	-	-	203,985	203,973	-	-	193,713	193,515
EC155 NYANDENI	348,923	-	-	348,923	348,923	-	-	331,251	328,179
EC156 MHLONTLO	241,156	-	-	241,156	241,156	-	-	229,195	229,195
EC157 KI SABATA DALINDYEBO	460,442	-	-	460,442	460,370	-	-	434,856	433,679
DC15 OR TAMBO DISTRICT MUNICIPALITY	1,193,994	-	-	1,193,994	1,193,994	-	-	1,124,310	1,012,318
EC441 MATATIELE	320,321	-	-	320,321	320,321	-	-	303,970	303,970
EC442 UMZIMVUBU	289,930	-	-	289,930	289,930	-	-	275,357	275,246
EC443 MBIZANA	359,441	-	-	359,441	359,441	-	-	341,204	341,204
EC444 NTABANKULU	165,408	-	-	165,408	165,408	-	-	157,487	157,487
DC44 ALFRED NZO DIST MUNICIPAL	779,701	-	-	779,701	777,516	-	-	734,119	734,119
NMA NELSON MANDELA BAY	1,523,361	-	-	1,523,361	1,317,557	-	-	1,419,053	1,355,310
BUF BUFFALO CITY	1,218,324	-	-	1,218,324	1,218,324	-	-	1,138,058	1,137,980
		-	-			-	-		
M 004 FS: MUNICIPALITIES									
MAN MANGAUNG	1,113,938	-	-	1,113,938	972,957	-	-	1,037,664	655,473
FS161 LETSEMENG	90,162	-	-	90,162	74,568	-	-	84,906	61,904
FS162 KOPANONG	117,449	-	-	117,449	110,449	-	-	110,594	85,683
FS163 MOHOKARE	99,365	-	-	99,365	80,141	-	-	93,733	70,379
DC16 XHARIEP DISTRICT MUNICIPALITY	52,396	-	-	52,396	44,276	-	-	50,851	50,851
FS181 MASILONYANA	168,168	-	-	168,168	154,658	-	-	158,510	139,510
FS182 TOKOLOGO	79,467	-	-	79,467	68,467	-	-	75,080	66,417
FS183 TSWELOPELE	102,959	-	-	102,959	102,959	-	-	97,242	97,242
FS184 MATJHABENG	733,077	-	-	733,077	725,772	-	-	685,410	665,403

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
FS185 NALA	163,318	-	-	163,318	155,864	-	-	153,857	151,163
DC18 LEJWELEPUTSWA DISTRICT	153,059	-	-	153,059	153,026	-	-	149,132	148,102
MUNICIPALITY FS191 SETSOTO	267,230	-	-	267,230	260,047	-	-	251,487	224,964
FS192 DIHLABENG	246,088	-	-	246,088	241,338	-	-	230,471	200,471
FS193 NKETOANA	138,783	-	-	138,783	130,283	-	-	130,625	120,238
FS194 MALUTI-A-PHOFUNG	851,701	-	-	851,701	847,138	-	-	801,631	796,916
FS195 PHUMELELA	105,892	-	-	105,892	94,715	-	-	99,870	91,003
FS196 MATSOPA	116,938	-	-	116,938	96,469	-	-	110,130	87,663
DC19 THABO MOFUTSANYANE DISTRICT MUNICIPALITY	139,749	-	-	139,749	139,742	-	-	135,615	135,278
FS201 MOQHAKA	298,568	-	-	298,568	274,328	-	-	279,982	278,006
FS203 NGWATHE	278,095	-	-	278,095	224,817	-	-	261,348	192,894
FS204 METSIMAHOLO	295,487	-	-	295,487	293,305	-	-	276,178	269,291
FS205 MAFUBE	136,158	-	-	136,158	120,972	-	-	128,231	109,252
DC20 FEZILE DABI DISTRICT MUNICIPALITY	177,399	-	-	177,399	176,931	-	-	173,824	172,145
		-	-			-	-		
M 004 GP: MUNICIPALITIES									
EKU EKURHULENI METRO	5,534,652	-	-	5,534,652	5,532,566	-	-	5,155,680	5,097,232
JHB CITY OF JOHANNESBURG	7,571,601	-	-	7,571,601	7,237,542	-	-	7,053,154	6,931,853
TSH CITY OF TSHWANE	4,287,120	-	-	4,287,120	4,138,868	-	-	3,993,570	3,665,545
GT421 EMFULENI	1,142,879	-	-	1,142,879	1,142,879	-	-	1,066,025	1,027,952
GT422 MIDVAAL	172,049	-	-	172,049	171,947	-	-	160,539	160,539
GT423 LESEDI	217,143	-	-	217,143	217,143	-	-	203,275	203,275

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC42 SEDIBENG DISTRICT MUNICIPALITY	309,742	-	-	309,742	309,742	-	-	303,338	303,309
GT481 MOGALE CITY	647,792	-	-	647,792	647,792	-	-	603,436	603,436
GT484 MERAFONG CITY	305,514	-	-	305,514	282,451	-	-	285,050	284,235
GT485 RAND WEST CITY	466,457	-	-	466,457	464,718	-	-	435,302	435,302
DC48 WEST RAND DIST MUNICIPALITY	244,123	-	-	244,123	244,123	-	-	238,416	238,118
		-	-			-	-		
M 004 KZN: MUNICIPALITIES									
ETH ETHEKWINI	4,827,914	-	-	4,827,914	4,714,765	-	-	4,497,334	4,108,125
KZN212 UMDONI LOCAL MUNICIPALITY	182,950	-	-	182,950	182,890	-	-	173,612	173,612
KZN213 UMZUMBE	171,112	-	-	171,112	171,112	-	-	162,954	162,954
KZN214 UMUZIWABANTU	123,326	-	-	123,326	122,533	-	-	117,131	117,131
KZN216 RAY NKONYENI	302,729	-	-	302,729	302,717	-	-	285,237	284,824
DC21 UGU DISTRICT MUNICIPALITY	667,211	-	-	667,211	667,211	-	-	630,083	630,083
KZN221 UMSHWATHI	139,899	-	-	139,899	139,899	-	-	132,526	132,526
KZN222 UMNGENI	105,408	-	-	105,408	103,934	-	-	98,874	98,874
KZN223 MPOFANA	48,961	-	-	48,961	41,514	-	-	46,412	43,567
KZN224 IMPENDLE	50,398	-	-	50,398	25,756	-	-	48,008	41,908
KZN225 MSUNDUZI	822,072	-	-	822,072	805,228	-	-	767,222	767,222
KZN226 MKHAMBATHINI	87,712	-	-	87,712	87,712	-	-	83,212	83,212
KZN227 RICHMOND	97,995	-	-	97,995	97,995	-	-	92,919	92,919
DC22 UMGUNGUNDLOVU DISTRICT MUNICIPALITY	749,708	-	-	749,708	749,708	-	-	718,520	714,340
KZN235 OKHAHLAMBA	167,007	-	-	167,007	167,007	-	-	158,616	158,616
KZN237 INKOSI ILANGALIBALELE	245,836	-	-	245,836	245,836	-	-	233,273	232,170

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN238 ALFRED DUMA	325,368	-	-	325,368	324,357	-	-	307,255	306,996
DC23 UTHUKELA DISTRICT MUNICIPALITY	614,024	-	-	614,024	614,024	-	-	579,191	575,391
KZN241 UNDUMENI	70,647	-	-	70,647	70,647	-	-	66,528	66,528
KZN242 NQUTHU	188,876	-	-	188,876	188,876	-	-	179,521	179,521
KZN244 MSINGA	232,162	-	-	232,162	232,162	-	-	220,590	220,590
KZN245 UMVOTI	186,113	-	-	186,113	185,329	-	-	176,236	175,620
DC24 UMZINYATHI DIST MUNICIPAL	519,485	-	-	519,485	519,485	-	-	489,713	489,713
KZN252 NEWCASTLE	540,119	-	-	540,119	540,119	-	-	506,803	497,139
KZN253 EMADLANGENI	39,936	-	-	39,936	38,080	-	-	38,069	38,069
KZN254 DANNHAUSER	120,689	-	-	120,689	120,689	-	-	114,793	113,791
DC25 AMAJUBA DISTRICT MUNICIPALITY	222,325	-	-	222,325	222,325	-	-	213,997	201,818
KZN261 EDUMBE	104,192	-	-	104,192	104,192	-	-	99,029	99,029
KZN262 UPHONGOLO	192,178	-	-	192,178	192,178	-	-	182,291	182,291
KZN263 ABAQULUSI	215,636	-	-	215,636	215,636	-	-	203,715	203,715
KZN265 NONGOMA	211,260	-	-	211,260	200,495	-	-	200,974	200,974
KZN266 ULUNDI	218,026	-	-	218,026	218,026	-	-	207,486	207,486
DC26 ZULULAND DISTRICT MUNICIPALITY	670,187	-	-	670,187	670,187	-	-	631,671	631,671
KZN271 UMHLABUYALINGANA	242,421	-	-	242,421	240,699	-	-	230,051	230,051
KZN272 JOZINI	259,516	-	-	259,516	233,315	-	-	246,447	246,447
KZN275 MTUBATUBA	245,141	-	-	245,141	237,680	-	-	232,846	232,846
KZN276 BIG FIVE/HLABISA LOCAL MUNICIPALITY	155,064	-	-	155,064	155,064	-	-	147,469	146,686

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC27 UMKHANYAKUDE DISTRICT MUNICIPALITY	620,064	-	-	620,064	620,064	-	-	584,008	535,081
KZN281 MFOLOZI	186,274	-	-	186,274	186,274	-	-	177,234	176,200
KZN282 UMHLATHUZE LOCAL MUNICIPALITY	556,251	-	-	556,251	556,251	-	-	520,860	520,860
KZN284 UMHLAZI	253,981	-	-	253,981	253,981	-	-	241,259	241,259
KZN285 MTHONJANENI LOCAL MUNICIPALITY	103,227	-	-	103,227	103,227	-	-	98,426	98,426
KZN286 NKANDLA	126,325	-	-	126,325	126,127	-	-	120,197	120,197
DC28 UTHUNGULU DISTRICT MUNICIPALITY	720,633	-	-	720,633	720,633	-	-	691,084	688,392
KZN291 MANDENI	243,588	-	-	243,588	243,588	-	-	230,823	230,199
KZN292 KWADUKUZA	276,746	-	-	276,746	276,261	-	-	259,016	259,016
KZN293 NDWEDWE	204,167	-	-	204,167	204,167	-	-	194,116	194,051
KZN294 MAPHUMULO	119,979	-	-	119,979	119,979	-	-	114,027	114,027
DC29 ILEMBE DISTRICT MUNICIPALITY	788,188	-	-	788,188	788,188	-	-	743,712	743,712
KZN433 GRAETER KOKSTAD	85,848	-	-	85,848	85,848	-	-	81,030	80,202
KZN434 UBUHLEBEZWE	146,644	-	-	146,644	146,644	-	-	139,317	139,317
KZN435 UMZIMKHULU	259,309	-	-	259,309	259,309	-	-	246,074	246,074
KZN436 DR NKOSAZANA DLAMINI ZUMA	170,740	-	-	170,740	170,740	-	-	162,271	162,271
DC43 HARRY GWALA DISTRICT MUNICIPALITY	491,837	-	-	491,837	491,837	-	-	463,631	463,631

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
M 004 LP: MUNICIPALITIES									
LIM471 EMPRAIM MOGALE	201,842	-	-	201,842	201,842	-	-	191,533	191,533
LIM472 ELIAS MOTSOALEDI	377,690	-	-	377,690	377,690	-	-	358,519	337,809
LIM473 MAKHUDUTHAMAGA	363,154	-	-	363,154	363,154	-	-	344,706	344,706
LIM476 GRTR TUBATSE/FETAKGOMO	617,179	-	-	617,179	617,179	-	-	584,706	584,544
DC47 GREATER SEKHUKHUNE DISTRICT MUNICIPALITY	1,139,344	-	-	1,139,344	1,138,768	-	-	1,072,869	828,225
LIM331 GREATER GIYANI	396,848	-	-	396,848	396,848	-	-	376,486	376,227
LIM332 GREATER LETABA	385,877	-	-	385,877	385,877	-	-	365,992	365,992
LIM333 GREATER TZANEEN	551,492	-	-	551,492	551,492	-	-	521,211	521,211
LIM334 BAPHALABORWA	216,586	-	-	216,586	216,247	-	-	205,239	205,239
LIM335 MARULENG	173,864	-	-	173,864	173,864	-	-	164,988	164,988
DC33 MOPANI DISTRICT MUNICIPALITY	1,343,490	-	-	1,343,490	1,242,343	-	-	1,265,409	1,239,144
LIM341 MUSINA LOCAL MUNICIPALITY	229,123	-	-	229,123	224,570	-	-	216,341	214,341
LIM343 THULAMELA LOCAL MUNICIPALITY	622,657	-	-	622,657	618,600	-	-	589,600	589,587
LIM344 MAKHADO	509,837	-	-	509,837	509,837	-	-	481,943	481,943
LIM345 NEW LOCAL MUNICIPALITY	513,239	-	-	513,239	513,239	-	-	486,442	486,442
DC34 VHEMBE DISTRICT MUNICIPALITY	1,474,623	-	-	1,474,623	1,468,731	-	-	1,385,786	1,385,556
LIM351 BLOUBERG LOCAL MUNICIPALITY	246,266	-	-	246,266	245,732	-	-	233,792	233,577
LIM353 MOLEMOLE LOCAL MUNICIPALITY	187,593	-	-	187,593	186,334	-	-	178,109	178,016
LIM354 POLOKWANE LOCAL MUNICIPALITY	1,407,843	-	-	1,407,843	1,403,442	-	-	1,318,621	1,301,376

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM355 LEPELLENKUMPI	336,507	-	-	336,507	312,558	-	-	319,605	304,282
DC35 CAPRICORN DISTRICT MUNICIPALITY	814,002	-	-	814,002	814,002	-	-	777,252	777,252
LIM361 THABAZIMBI	145,380	-	-	145,380	125,951	-	-	135,742	122,242
LIM362 LEPHALALE	241,654	-	-	241,654	236,347	-	-	226,374	226,374
LIM366 BELA BELA	137,989	-	-	137,989	137,939	-	-	129,614	129,614
LIM367 MOGALAKWENA	609,555	-	-	609,555	609,540	-	-	574,110	573,978
LIM368 MODIMOLLE/MOOKGOPONG LOCAL MUNICIPALITY	154,561	-	-	154,561	154,561	-	-	144,925	144,533
DC36 WATERBERG DISTRICT MUNICIPALITY	154,761	-	-	154,761	154,761	-	-	150,704	150,598
M 004 MP: MUNICIPALITIES		-	-			-	-		
MP301 ALBERT LUTHULI	443,317	-	-	443,317	443,317	-	-	418,105	418,105
MP302 MSUKALINGWA	270,341	-	-	270,341	270,137	-	-	252,878	252,878
MP303 MKHONDO	353,262	-	-	353,262	338,253	-	-	332,438	332,438
MP304 PIXLEY KA SEME	167,330	-	-	167,330	167,330	-	-	157,696	142,096
MP305 LEKWA	179,350	-	-	179,350	179,350	-	-	167,773	167,773
MP306 DIPALESENG	106,114	-	-	106,114	106,114	-	-	100,018	100,018
MP307 GOVAN MBEKI	458,066	-	-	458,066	457,612	-	-	426,701	426,701
DC30 GERT SIBANDE DISTRICT MUNICIPALITY	333,988	-	-	333,988	333,988	-	-	327,436	327,436
MP311 VICTOR KHANYE	149,824	-	-	149,824	149,824	-	-	140,606	140,606
MP312 EMALAHLENI	600,014	-	-	600,014	600,014	-	-	558,930	558,930
MP313 STEVE TSHWETE	350,175	-	-	350,175	350,175	-	-	326,198	326,198

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MP314 EMAKHAZENI	92,885	-	-	92,885	92,846	-	-	87,426	87,426
MP315 THEMBISILE	592,128	-	-	592,128	592,128	-	-	557,502	557,502
MP316 DR JS MOROKA	520,563	-	-	520,563	520,563	-	-	491,709	491,709
DC31 NKANGALA DISTRICT MUNICIPALITY	409,520	-	-	409,520	409,520	-	-	401,237	401,237
MP321 THABA CHWEU	221,892	-	-	221,892	221,892	-	-	207,969	178,683
MP324 NKOMAZI	837,870	-	-	837,870	837,870	-	-	788,535	788,535
MP325 BUSHBUCKRIDGE	1,119,258	-	-	1,119,258	1,119,258	-	-	1,054,098	1,054,098
MP326 MBOMBELA/UMJINDI LOCAL MUNICIPALITY	1,120,727	-	-	1,120,727	1,120,243	-	-	1,049,002	959,002
DC32 EHLANZENI DISTRICT MUNICIPALITY	303,325	-	-	303,325	303,325	-	-	295,254	295,254
		-	-			-	-		
M 004 NC: MUNICIPALITIES									
NC061 RICHTERSVELD	26,627	-	-	26,627	26,627	-	-	25,229	25,127
NC062 NAMA KHOI	67,456	-	-	67,456	61,959	-	-	63,411	58,647
NC064 KAMIESBERG	33,964	-	-	33,964	33,864	-	-	32,313	28,092
NC065 HANTAM	35,954	-	-	35,954	33,102	-	-	33,888	33,888
NC066 KAROO HOOGLAND	34,689	-	-	34,689	28,338	-	-	32,820	32,820
NC067 KHAIMA	29,007	-	-	29,007	28,343	-	-	27,500	24,739
DC6 NAMAKWA DISTRICT MUNICIPALITY	58,871	-	-	58,871	58,871	-	-	57,516	57,516
NC071 UBUNTU	52,389	-	-	52,389	52,276	-	-	49,595	44,569
NC072 UMSOBOMVU	73,653	-	-	73,653	72,402	-	-	69,563	68,911
NC073 EMTHANJENI	63,275	-	-	63,275	63,197	-	-	59,609	57,856

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC074 KAREEBERG	37,608	-	-	37,608	30,691	-	-	35,728	-
NC075 RENOSTERBERG	35,956	-	-	35,956	35,785	-	-	34,139	33,760
NC076 THEMBELIHLE	38,097	-	-	38,097	34,753	-	-	36,145	33,742
NC077 SIYATHEMBA	48,179	-	-	48,179	40,395	-	-	45,538	40,407
NC078 SIYANCUMA	66,107	-	-	66,107	66,107	-	-	62,417	53,585
DC7 PIXLEY KA SEME DISTRICT MUNICIPALITY	63,593	-	-	63,593	63,582	-	-	61,791	61,791
NC082 !KAI ! GARIB	127,168	-	-	127,168	119,168	-	-	119,217	109,909
NC084 !KHEIS	36,866	-	-	36,866	30,865	-	-	35,007	30,499
NC085 TSANTSABANE	58,842	-	-	58,842	53,226	-	-	55,306	49,449
NC086 KGATELOPELE	35,236	-	-	35,236	35,236	-	-	33,241	33,241
NC087 DAWID KRUIPER	124,545	-	-	124,545	119,277	-	-	116,595	115,634
DC8 Z.F. MQCAWU DISTRICT MUNICIPALITY	83,266	-	-	83,266	83,266	-	-	81,190	81,190
NC091 SOL PLAATJIE	282,104	-	-	282,104	278,134	-	-	263,135	255,902
NC092 DIKGATLONG	123,223	-	-	123,223	123,223	-	-	116,361	111,599
NC093 MAGARENG	65,001	-	-	65,001	65,001	-	-	61,591	58,050
NC094 PHOKWANE	142,291	-	-	142,291	126,232	-	-	134,246	130,946
DC9 FRANCES BAARD DISTRICT MUNICIPALITY	139,133	-	-	139,133	139,133	-	-	136,271	136,271
NC451 JOE MOROLONG	191,089	-	-	191,089	191,089	-	-	180,561	180,561
NC452 GA-SEGONYANA	244,849	-	-	244,849	244,769	-	-	230,911	230,426
NC453 GAMAGARA	66,070	-	-	66,070	55,687	-	-	61,684	61,684
DC45 JOHN TAOLO GAETSWEWE MUNICIPALITY	109,352	-	-	109,352	109,352	-	-	106,128	106,128

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
M 004 NW: MUNICIPALITIES									
NW371 MORETELE	469,371	-	-	469,371	469,371	-	-	443,171	443,077
NW372 MADIBENG	1,123,765	-	-	1,123,765	1,123,765	-	-	1,052,334	1,050,786
NW373 RUSTENBURG	1,150,861	-	-	1,150,861	1,150,306	-	-	1,072,059	1,035,510
NW374 KGETLENGRIVIER	138,118	-	-	138,118	134,354	-	-	129,725	129,460
NW375 MOSES KOTANE	600,070	-	-	600,070	599,859	-	-	566,087	561,437
DC37 BOJANALA PLATINUM DISTRICT	407,135	-	-	407,135	407,135	-	-	396,790	396,790
MUNICIPALITY NW381 RATLOU	168,819	-	-	168,819	168,819	-	-	160,330	159,197
NW382 TSWAING	159,987	-	-	159,987	159,987	-	-	151,406	151,406
NW383 MAFIKENG	379,249	-	-	379,249	374,643	-	-	357,840	357,641
NW384 DITSOBOTLA	184,896	-	-	184,896	181,796	-	-	174,108	161,108
NW385 RAMOTSHERE MOILOA	244,093	-	-	244,093	244,093	-	-	231,416	231,416
DC38 NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	1,110,786	-	-	1,110,786	1,110,786	-	-	1,051,811	969,792
NW392 NALEDI	72,532	-	-	72,532	72,532	-	-	68,455	68,455
NW393 NAMUSA	75,763	-	-	75,763	75,763	-	-	71,798	68,612
NW394 GREATER TAUNG	257,199	-	-	257,199	257,187	-	-	244,271	240,250
NW396 LEKWA-TEEMANE	68,806	-	-	68,806	68,806	-	-	65,147	60,479
NW397 MOLOPOKAGISANO	161,140	-	-	161,140	154,171	-	-	153,047	146,116
DC39 DR RUTH SEGOMTSI MUNICIPALITY	507,253	-	-	507,253	507,253	-	-	479,123	417,840
NW403 CITY OF MATLOSANA	641,421	-	-	641,421	626,875	-	-	599,104	584,455
NW404 MAQUASSI HILLS	182,628	-	-	182,628	180,873	-	-	171,953	171,953
NW405 VENTERSDORP/TLOKWE LOCAL MUNICIPALITY	411,298	-	-	411,298	411,298	-	-	383,920	377,688

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC40 DR KENNETH KAUNDA MUNICIPALITY	218,309	-	-	218,309	218,143	-	-	213,548	213,548
M 004 WC: MUNICIPALITIES									
CPT CITY OF CAPE TOWN	4,365,700	-	-	4,365,700	4,365,700	-	-	4,066,769	4,066,769
WC011 MATZIKAMA	81,640	-	-	81,640	81,640	-	-	76,264	56,264
WC012 CEDERBERG	71,545	-	-	71,545	71,545	-	-	67,058	65,984
WC013 BERGRIVIER	68,086	-	-	68,086	68,086	-	-	63,544	63,544
WC014 SALDANHA BAY	138,465	-	-	138,465	138,465	-	-	129,270	129,270
WC015 SWARTLAND	153,764	-	-	153,764	153,764	-	-	143,235	143,235
DC1 WEST COAST DISTRICT MUNICIPALITY	109,608	-	-	109,608	109,608	-	-	107,029	107,029
WC022 WITZENBERG	145,706	-	-	145,706	144,790	-	-	135,729	135,729
WC023 DRAKENSTEIN	231,574	-	-	231,574	231,574	-	-	215,718	215,718
WC024 STELLENBOSCH	215,604	-	-	215,604	215,502	-	-	200,841	191,278
WC025 BREEDE VALLEY	174,394	-	-	174,394	174,394	-	-	162,453	161,373
WC026 LANGEBERG	113,734	-	-	113,734	111,990	-	-	106,265	94,577
DC2 CAPE WINELANDS DISTRICT MUNICIPALITY	263,660	-	-	263,660	263,660	-	-	258,729	258,729
WC031 THEEWATERSKLOOF	140,900	-	-	140,900	109,700	-	-	131,583	130,903
WC032 OVERSTRAND	168,794	-	-	168,794	168,794	-	-	157,935	157,935
WC033 CAPE AGULHAS	43,073	-	-	43,073	42,880	-	-	40,380	40,010
WC034 SWELLENDAM	46,412	-	-	46,412	45,233	-	-	43,487	43,133
DC3 OVERBERG DISTRICT MUNICIPALITY	86,644	-	-	86,644	86,617	-	-	84,437	84,437
WC041 KANNALAND	37,479	-	-	37,479	36,991	-	-	35,348	35,348

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
WC042 HESSEQUA	63,158	-	-	63,158	63,158	-	-	59,164	59,164
WC043 MOSSEL BAY	139,609	-	-	139,609	139,609	-	-	130,634	130,634
WC044 GEORGE	230,472	-	-	230,472	230,445	-	-	214,691	213,468
WC045 OUDTSHOORN	102,781	-	-	102,781	102,781	-	-	96,434	96,367
WC047 BITOU	154,148	-	-	154,148	154,001	-	-	144,726	144,726
WC048 KNYSNA	130,575	-	-	130,575	130,506	-	-	122,358	118,344
DC4 EDEN DISTRICT MUNICIPALITY	182,224	-	-	182,224	182,224	-	-	178,333	178,098
WC051 LAINGSBURG	22,685	-	-	22,685	22,685	-	-	21,520	21,520
WC052 PRINCE ALBERT	30,299	-	-	30,299	30,299	-	-	28,653	28,653
WC053 BEAUFORT WEST	88,849	-	-	88,849	88,849	-	-	83,574	83,574
DC5 CENTRAL KAROO DISTRICT MUNICIPALITY	38,885	-	-	38,885	38,885	-	-	37,712	36,681
Total Local Government Equitable Share Grant	**101,177,734**	**-**	**-**	**101,177,734**	**99,503,727**	**-**	**-**	**95,188,741**	**92,261,856**
		-	-			-	-		
LICENSES									
TSHWANE METRO MUNICIPALITY	28	-	-	28	37	-	-	29	29
		-	-			-	-		
MUNICIPAL DISASTER RECOVERY GRANT									
BUF BUFFALO CITY	78,000	-	-	78,000	78,000	-	-	-	-
NMA NELSON MANDELA BAY	89,000	-	-	89,000	89,000	-	-	-	-
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	16,416	-	-	16,416	16,416	-	-	6,585	6,585
EC102 BLUE CRANE ROUTE	22,880	-	-	22,880	22,880	-	-	30,491	30,491

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC104 MAKANA	29,110	-	-	29,110	29,110	-	-	-	-
EC105 NDLAMBE	30,000	-	-	30,000	30,000	-	-	-	-
EC108 KOUGA	12,180	-	-	12,180	12,180	-	-	-	-
EC109 KOUKAMA	10,000	-	-	10,000	10,000	-	-	-	-
EC121 MBHASHE	24,166	-	-	24,166	24,166	-	-	32,204	32,204
EC122 MNQUMA	6,472	-	-	6,472	6,472	-	-	8,625	8,625
EC123 GREAT KEI	18,160	-	-	18,160	18,160	-	-	-	-
EC124 AMAHLATI	19,145	-	-	19,145	19,145	-	-	25,512	25,512
EC126 NGQUSHWA	15,256	-	-	15,256	15,256	-	-	20,330	20,330
EC129 RAYMOND MHLABA	27,415	-	-	27,415	27,415	-	-	36,534	36,534
EC131 INXUBA YETHEMBA	8,429	-	-	8,429	8,429	-	-	11,233	11,233
EC135 INTSIKA YETHU	29,258	-	-	29,258	29,258	-	-	38,991	38,991
EC136 EMALAHLENI	32,071	-	-	32,071	32,071	-	-	42,739	42,739
EC137 ENGCOBO	18,898	-	-	18,898	18,898	-	-	25,172	25,172
EC138 SAKHISIZWE	35,515	-	-	35,515	35,515	-	-	47,326	47,326
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	32,028	-	-	32,028	32,028	-	-	42,681	42,681
DC13 CHRIS HANI DISTRICT MUNICIPALITY	20,742	-	-	20,742	20,742	-	-	27,695	27,695
EC142 SENQU	19,588	-	-	19,588	19,588	-	-	-	-
EC153 NGOUZA HILL	8,113	-	-	8,113	8,113	-	-	10,812	10,812
EC154 PORT ST JOHNS	25,634	-	-	25,634	25,634	-	-	34,161	34,161
EC155 NYANDENI	35,259	-	-	35,259	35,259	-	-	46,987	46,987
EC156 MHLONTLO	25,037			25,037	25,037			33,364	33,364

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC157 KI SABATA DALINDYEBO	30,178	-	-	30,178	30,178	-	-	40,215	40,215
EC441 MATATIELE	24,542	-	-	24,542	24,542	-	-	32,706	32,706
EC442 UMZIMVUBU	26,848	-	-	26,848	26,848	-	-	35,777	35,777
EC443 MBIZANA	21,829	-	-	21,829	21,829	-	-	-	-
EC444 NTABANKULU	21,314	-	-	21,314	21,314	-	-	28,404	28,404
FS181 MASILONYANA	25,000	-	-	25,000	25,000	-	-	-	-
FS192 DIHLABENG	5,000	-	-	5,000	5,000	-	-	-	-
FS196 MATSOPA	7,556	-	-	7,556	7,556	-	-	-	-
FS204 METSIMAHOLO	10,500	-	-	10,500	10,500	-	-	-	-
ETH ETHEKWINI	-	-	-	-	-	-	-	16,442	16,442
KZN213 UMZUMBE	-	-	-	-	-	-	-	15,772	15,772
KZN214 UMUZIWABANTU	-	-	-	-	-	-	-	13,562	13,562
KZN216 RAY NKONYENI	-	-	-	-	-	-	-	82,298	82,298
DC21 UGU DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	129,775	129,775
KZN222 UMNGENI	7,426	-	-	7,426	7,426	-	-	7,418	7,418
KZN223 MPOFANA	17,950	-	-	17,950	17,950	-	-	-	-
KZN224 IMPENDLE	15,558	-	-	15,558	15,558	-	-	46,629	46,629
KZN225 MSUNDUZI	13,214	-	-	13,214	13,214	-	-	39,600	39,600
KZN235 OKHAHLAMBA	8,858	-	-	8,858	8,858	-	-	26,548	26,548
KZN237 INKOSI ILANGALIBALELE	-	-	-	-	-	-	-	8,000	8,000
KZN238 ALFRED DUMA	50,740	-	-	50,740	50,740	-	-	-	-
KZN241 UNDUMENI	6,407	-	-	6,407	6,407	-	-	6,400	6,400
KZN244 MSINGA	6,015	-	-	6,015	6,015	-	-	18,029	18,029
KZN252 NEWCASTLE	6,891	-	-	6,891	6,891	-	-	20,652	20,652

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN253 EMADLANGENI	6,180	-	-	6,180	6,180	-	-	18,523	18,523
KZN254 DANNHAUSER	11,250	-	-	11,250	11,250	-	-	-	-
DC25 AMAJUBA DISTRICT MUNICIPALITY	10,010	-	-	10,010	10,010	-	-	30,000	30,000
KZN261 EDUMBE	-	-	-	-	-	-	-	1,400	1,400
KZN272 JOZINI	9,704	-	-	9,704	9,704	-	-	29,803	29,803
KZN275 MTUBATUBA	19,791	-	-	19,791	19,791	-	-	-	-
KZN284 UMHLAZI	14,278	-	-	14,278	14,278	-	-	-	-
KZN292 KWADUKUZA	-	-	-	-	-	-	-	22,027	22,027
KZN293 NDWEDWE	25,029	-	-	25,029	25,029	-	-	-	-
KZN294 MAPHUMULO	13,378	-	-	13,378	13,378	-	-	-	-
DC29 ILEMBE DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	41,039	41,039
LIM472 ELIAS MOTSOALEDI	27,650	-	-	27,650	27,650	-	-	-	-
LIM332 GREATER LETABA	7,997	-	-	7,997	7,997	-	-	7,990	7,990
LIM333 GREATER TZANEEN	10,261	-	-	10,261	10,261	-	-	10,250	10,250
LIM341 MUSINA LOCAL MUNICIPALITY	-	-	-	-	-	-	-	6,993	6,993
LIM344 MAKHADO	6,006	-	-	6,006	6,006	-	-	18,000	18,000
LIM345 NEW LOCAL MUNICIPALITY	-	-	-	-	-	-	-	9,000	9,000
LIM351 BLOUBERG LOCAL MUNICIPALITY	15,716	-	-	15,716	15,716	-	-	47,100	47,100
LIM354 POLOKWANE LOCAL MUNICIPALITY	4,765	-	-	4,765	4,765	-	-	14,280	14,280
LIM362 LEPHALALE	19,475	-	-	19,475	19,475	-	-	-	-
LIM366 BELA BELA	11,560	-	-	11,560	11,560	-	-	-	-
LIM368 MODIMOLLE/MOOKGOPONG LOCAL	28,920	-	-	28,920	28,920	-	-	-	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation				Transfer			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MUNICIPALITY		-	-			-	-		
MP301 ALBERT LUTHULI	5,932	-	-	5,932	5,932	-	-	15,800	15,800
MP302 MSUKALINGWA	14,500	-	-	14,500	14,500	-	-	-	-
MP303 MKHONDO	16,967	-	-	16,967	16,967	-	-	22,600	22,600
MP304 PIXLEY KA SEME	-	-	-	-	-	-	-	700	700
MP305 LEKWA	-	-	-	-	-	-	-	11,000	11,000
MP307 GOVAN MBEKI	7,883	-	-	7,883	7,883	-	-	7,875	7,875
MP312 EMALAHLENI	25,000	-	-	25,000	25,000	-	-	-	-
MP314 EMAKHAZENI	16,000	-	-	16,000	16,000	-	-	-	-
MP321 THABA CHWEU	21,100	-	-	21,100	21,100	-	-	-	-
MP324 NKOMAZI	57,856	-	-	57,856	57,856	-	-	66,501	66,501
MP325 BUSHBUCKRIDGE	11,051	-	-	11,051	11,051	-	-	14,720	14,720
MP326 MBOMBELA/UMJINDI LOCAL	12,101	-	-	12,101	12,101	-	-	20,117	20,117
MUNICIPALITY		-	-			-	-		
Total Municipal Disaster Recovery Grant	**1,424,958**	**-**	**-**	**1,424,958**	**1,424,958**	**-**	**-**	**1,505,387**	**1,505,387**
Total	**121,180,981**	**-**	**-**	**121,180,981**	**119,506,983**	**-**	**-**	**115,098,765**	**111,983,663**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

34. Natural disaster or relief expenditure

	Note(s)	2024/2025 R '000	2023/2024 R '000
Transfers and subsidies		1,952,645	2,207,745

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1A

Statement of conditional grants and other transfers to municipalities

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
IUDG Grant													
GT481 MOGALE CITY	132,461	-	-	132,461	132,461	-	-	132,461	78,926	53,535	59.6 %	158,007	158,007
KZN216 RAY NKONYENI	86,740	-	-	86,740	86,740	-	-	86,740	72,070	14,670	83.1 %	88,848	88,848
KZN282 UMHLATHUZE LOCAL MUNICIPALITY	152,438	-	-	152,438	152,438	-	-	152,438	93,993	58,445	61.7 %	171,579	171,579
LIM354 POLOKWANE LOCAL MUNICIPALITY	414,066	-	-	414,066	414,066	-	-	414,066	296,936	117,130	71.7 %	435,949	435,949
MP313 STEVE TSHWETE	78,737	-	-	78,737	78,737	-	-	78,737	55,271	23,466	70.2 %	76,765	76,765
NC091 SOL PLAATJIE	75,856	-	-	75,856	75,856	-	-	75,856	40,400	35,456	53.3 %	63,395	63,395
WC023 DRAKENSTEIN	68,546	-	-	68,546	68,546	-	-	68,546	52,039	16,507	75.9 %	58,616	58,616
WC024 STELLENBOSCH	62,301	-	-	62,301	62,301	-	-	62,301	40,966	21,335	65.8 %	59,410	59,410
WC044 GEORGE	74,419	-	-	74,419	74,419	-	-	74,419	52,954	21,465	71.2 %	59,879	59,879
Total IUDG Grant	**1,145,564**	**-**	**-**	**1,145,564**	**1,145,564**	**-**	**-**	**1,145,564**	**783,555**	**362,009**		**1,172,448**	**1,172,448**
Disaster Response Grant													
BUF BUFFALO CITY	44,600	-	-	44,600	44,600	-	-	44,600	-	-	- %	-	-
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	3,500	3,500

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NMA NELSON MANDELA BAY	53,999	-	-	53,999	53,999	-	-	53,999	-	-	- %	-	-
EC102 BLUE CRANE ROUTE	-	-	-	-	-	-	-	-	-	-	- %	3,200	3,200
EC104 MAKANA	-	-	-	-	-	-	-	-	-	-	- %	9,200	9,200
EC105 NDLAMBE	-	-	-	-	-	-	-	-	-	-	- %	11,250	11,250
EC108 KOUGA	-	-	-	-	-	-	-	-	-	-	- %	13,550	13,550
EC121 MBHASHE	-	-	-	-	-	-	-	-	-	-	- %	7,485	7,485
EC122 MNQUMA	-	-	-	-	-	-	-	-	-	-	- %	4,000	4,000
EC123 GREAT KEI	-	-	-	-	-	-	-	-	-	-	- %	17,420	17,420
EC124 AMAHLATI	-	-	-	-	-	-	-	-	-	-	- %	4,700	4,700
EC126 NGQUSHWA	-	-	-	-	-	-	-	-	-	-	- %	6,200	6,200
EC131 INXUBA YETHEMBA	-	-	-	-	-	-	-	-	-	-	- %	5,600	5,600
EC135 INTSIKA YETHU	-	-	-	-	-	-	-	-	-	-	- %	4,190	4,190
EC136 EMALAHLENI	-	-	-	-	-	-	-	-	-	-	- %	3,395	3,395
EC137 ENGCOBO	-	-	-	-	-	-	-	-	-	-	- %	6,500	6,500
EC138 SAKHISIZWE	-	-	-	-	-	-	-	-	-	-	- %	3,940	3,940
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	-	-	-	-	-	-	-	-	-	-	- %	7,316	7,316
DC13 CHRIS HANI DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	11,055	11,055
EC141 ELUNDINI	-	-	-	-	-	-	-	-	-	-	- %	12,307	12,307

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC142 SENQU	-	-	-	-	-	-	-	-	-	-	- %	20,666	20,666
EC153 NGOUZA HILL	-	-	-	-	-	-	-	-	-	-	- %	4,138	4,138
EC154 PORT ST JOHNS	-	-	-	-	-	-	-	-	-	-	- %	20,530	20,530
EC155 NYANDENI	-	-	-	-	-	-	-	-	-	-	- %	4,600	4,600
EC156 MHLONTLO	-	-	-	-	-	-	-	-	-	-	- %	5,100	5,100
EC157 KI SABATA DALINDYEBO	-	-	-	-	-	-	-	-	-	-	- %	5,360	5,360
EC441 MATATIELE	-	-	-	-	-	-	-	-	-	-	- %	2,251	2,251
EC442 UMZIMVUBU	-	-	-	-	-	-	-	-	-	-	- %	3,500	3,500
EC443 MBIZANA	-	-	-	-	-	-	-	-	-	-	- %	19,190	19,190
MAN MANGAUNG	-	-	-	-	-	-	-	-	-	-	- %	13,150	13,150
FS181 MASILONYANA	-	-	-	-	-	-	-	-	-	-	- %	2,629	2,629
FS184 MATJHABENG	10,000	-	-	10,000	10,000	-	-	10,000	-	-	- %	-	-
FS192 DIHLABENG	-	-	-	-	-	-	-	-	-	-	%	16,853	16,853
FS196 MATSOPA	-	-	-	-	-	-	-	-	-	-	- %	14,084	14,084
FS201 MOQHAKA	-	-	-	-	-	-	-	-	-	-	- %	11,000	11,000
FS204 METSIMAHOLO	-	-	-	-	-	-	-	-	-	-	- %	1,000	1,000
JHB CITY OF JOHANNESBURG	-	-	-	-	-	-	-	-	-	-	- %	61,700	61,700
ETH ETHEKWINI	8,015	-	-	8,015	8,015	-	-	8,015	-	-	- %	-	-
KZN212 UMDONI LOCAL MUNICIPALITY	14,853	-	-	14,853	14,853	-	-	14,853	-	-	- %	9,400	9,400
KZN213 UMZUMBE	23,700	-	-	23,700	23,700	-	-	23,700	-	-	- %	-	-
KZN216 RAY NKONYENI	22,760	-	-	22,760	22,760	-	-	22,760	-	-	- %	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

			-			Transfer			Spent			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC21 UGU DISTRICT MUNICIPALITY	15,500	-	-	15,500	15,500	-	-	15,500	-	-	- %	9,950	9,950
KZN223 MPOFANA	-	-	-	-	-	-	-	-	-	-	- %	10,000	10,000
KZN238 ALFRED DUMA	-	-	-	-	-	-	-	-	-	-	- %	11,775	11,775
DC23 UTHUKELA	6,900	-	-	6,900	6,900	-	-	6,900	-	-	- %	-	-
DISTRICT MUNICIPALITY		-	-			-	-		-	-			
KZN242 NQUTHU	5,100	-	-	5,100	5,100	-	-	5,100	-	-	- %	-	-
KZN244 MSINGA	3,203	-	-	3,203	3,203	-	-	3,203	-	-	- %	-	-
KZN245 UMVOTI	6,400	-	-	6,400	6,400	-	-	6,400	-	-	- %	-	-
DC24 UMZINYATHI DIST MUNICIPAL	6,525	-	-	6,525	6,525	-	-	6,525	-	-	- %	-	-
KZN252 NEWCASTLE	5,500	-	-	5,500	5,500	-	-	5,500	-	-	- %	-	-
KZN254 DANNHAUSER	-	-	-	-	-	-	-	-	-	-	- %	6,500	6,500
KZN261 EDUMBE	6,800	-	-	6,800	6,800	-	-	6,800	-	-	- %	-	-
KZN263 ABAQULUSI	5,400	-	-	5,400	5,400	-	-	5,400	-	-	- %	-	-
KZN266 ULUNDI	5,505	-	-	5,505	5,505	-	-	5,505	-	-	- %	-	-
DC26 ZULULAND DISTRICT MUNICIPALITY	9,085	-	-	9,085	9,085	-	-	9,085	-	-	- %	-	-
KZN271 UMHLABUYALINGANA	5,275	-	-	5,275	5,275	-	-	5,275	-	-	- %	-	-
KZN275 MTUBATUBA	-	-	-	-	-	-	-	-	-	-	- %	9,868	9,868

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

		-				Transfer			Spent			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN281 MFOLOZI	5,300	-	-	5,300	5,300	-	-	5,300	-	-	- %	-	-
KZN284 UMHLAZI	-	-	-	-	-	-	-	-	-	-	- %	8,500	8,500
KZN285 MTHONJANENI LOCAL MUNICIPALITY	4,250	-	-	4,250	4,250	-	-	4,250	-	-	- %	-	-
KZN286 NKANDLA	5,000	-	-	5,000	5,000	-	-	5,000	-	-	- %	-	-
KZN291 MANDENI	5,181	-	-	5,181	5,181	-	-	5,181	-	-	- %	-	-
KZN293 NDWEDWE	-	-	-	-	-	-	-	-	-	-	- %	10,450	10,450
KZN294 MAPHUMULO	-	-	-	-	-	-	-	-	-	-	- %	11,700	11,700
LIM331 GREATER GIYANI	-	-	-	-	-	-	-	-	-	-	- %	8,000	8,000
LIM332 GREATER LETABA	-	-	-	-	-	-	-	-	-	-	- %	3,900	3,900
LIM333 GREATER TZANEEN	-	-	-	-	-	-	-	-	-	-	- %	3,950	3,950
LIM341 MUSINA LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	3,554	3,554
LIM344 MAKHADO	-	-	-	-	-	-	-	-	-	-	- %	3,500	3,500
LIM345 NEW LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	4,500	4,500
LIM351 BLOUBERG LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	4,000	4,000
LIM353 MOLEMOLE LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	22,056	22,056
LIM354 POLOKWANE LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	4,500	4,500

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

			-			Transfer			Spent			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM355 LEPELLENKUMPI	-	-	-	-	-	-	-	-	-	-	- %	19,500	19,500
LIM362 LEPHALALE	-	-	-	-	-	-	-	-	-	-	- %	7,600	7,600
LIM367 MOGALAKWENA	-	-	-	-	-	-	-	-	-	-	- %	11,200	11,200
LIM368 MODIMOLLE/ MOOKGOPO NG LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	11,022	11,022
MP301 ALBERT LUTHULI	-	-	-	-	-	-	-	-	-	-	- %	8,150	8,150
MP302 MSUKALINGWA	-	-	-	-	-	-	-	-	-	-	- %	16,000	16,000
MP303 MKHONDO	6,500	-	-	6,500	6,500	-	-	6,500	-	-	- %	8,000	8,000
MP305 LEKWA	-	-	-	-	-	-	-	-	-	-	- %	6,625	6,625
MP306 DIPALESENG	-	-	-	-	-	-	-	-	-	-	- %	5,750	5,750
MP312 EMALAHLENI	-	-	-	-	-	-	-	-	-	-	- %	13,000	13,000
MP314 EMAKHAZENI	-	-	-	-	-	-	-	-	-	-	- %	16,950	16,950
MP315 THEMBISILE	4,700	-	-	4,700	4,700	-	-	4,700	-	-	- %	1,150	1,150
MP316 DR JS MOROKA	-	-	-	-	-	-	-	-	-	-	- %	100	100
MP321 THABA CHWEU	-	-	-	-	-	-	-	-	-	-	- %	14,680	14,680
MP324 NKOMAZI	-	-	-	-	-	-	-	-	-	-	- %	16,230	16,230
MP325 BUSHBUCKRIDGE	-	-	-	-	-	-	-	-	-	-	- %	43,100	43,100
MP326 MBOMBELA/ UMJINDI LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	11,805	11,805

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC062 NAMA KHOI	24,444	-	-	24,444	24,444	-	-	24,444	-	-	- %	-	-
DC6 NAMAKWA DISTRICT MUNICIPALITY	8,556	-	-	8,556	8,556	-	-	8,556	-	-	- %	-	-
NC093 MAGARENG	-	-	-	-	-	-	-	-	-	-	- %	5,145	5,145
NW383 MAFIKENG	-	-	-	-	-	-	-	-	-	-	- %	14,382	14,382
NW392 NALEDI	-	-	-	-	-	-	-	-	-	-	- %	13,205	13,205
NW396 LEKWA-TEEMANE	-	-	-	-	-	-	-	-	-	-	- %	12,458	12,458
CPT CITY OF CAPE TOWN	17,544	-	-	17,544	17,544	-	-	17,544	-	-	- %	4,450	4,450
WC012 CEDERBERG	6,100	-	-	6,100	6,100	-	-	6,100	-	-	- %	7,805	7,805
WC014 SALDANHA BAY	590	-	-	590	590	-	-	590	-	-	- %	-	-
WC015 SWARTLAND	9,241	-	-	9,241	9,241	-	-	9,241	-	-	- %	350	350
WC022 WITZENBERG	3,612	-	-	3,612	3,612	-	-	3,612	-	-	- %	-	-
WC023 DRAKENSTEIN	1,976	-	-	1,976	1,976	-	-	1,976	-	-	- %	435	435
WC024 STELLENBOSCH	6,000	-	-	6,000	6,000	-	-	6,000	-	-	- %	30,132	30,132
WC025 BREEDE VALLEY	7,266	-	-	7,266	7,266	-	-	7,266	-	-	- %	-	-
WC026 LANGEBERG	2,848	-	-	2,848	2,848	-	-	2,848	-	-	- %	25,730	25,730
WC031 THEEWATERSKLOOF	-	-	-	-	-	-	-	-	-	-	- %	41,304	41,304
WC032 OVERSTRAND	-	-	-	-	-	-	-	-	-	-	- %	12,472	12,472

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
WC042 HESSEQUA	-	-	-	-	-	-	-	-	-	-	- %	5,180	5,180
WC048 KNYSNA	114	-	-	114	114	-	-	114	-	-	- %	2,600	2,600
UNALLOCATED	-	-	-	-	-	-	-	-	-	-	- %	17,403	-
Total Disaster Response Grant	**378,342**	**-**	**-**	**378,342**	**378,342**	**-**	**-**	**378,342**	**-**	**-**	**-**	**890,575**	**873,172**
Municipal Infrastructure Grant (MIG)													
Eastern Cape													
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	23,438	-	-	23,438	23,438	-	-	23,438	-	-	- %	22,274	22,274
EC102 BLUE CRANE ROUTE	15,969	-	-	15,969	15,969	-	-	15,969	-	-	- %	22,645	22,645
EC104 MAKANA	27,778	-	-	27,778	27,778	-	-	27,778	-	-	- %	26,552	26,552
EC105 NDLAMBE	31,129	-	-	31,129	31,129	-	-	31,129	-	-	- %	29,819	29,819
EC106 SUNDAYS RIVER VALLEY	39,032	-	-	39,032	39,032	-	-	39,032	-	-	- %	27,920	27,920
EC108 KOUGA	36,446	-	-	36,446	36,446	-	-	36,446	-	-	- %	34,868	34,868
EC109 KOUKAMA	17,216	-	-	17,216	17,216	-	-	17,216	-	-	- %	16,395	16,395
EC121 MBHASHE	70,329	-	-	70,329	70,329	-	-	70,329	-	-	- %	66,706	66,706
EC122 MNQUMA	80,457	-	-	80,457	80,457	-	-	80,457	-	-	- %	77,124	77,124
EC123 GREAT KEI	12,436	-	-	12,436	12,436	-	-	12,436	-	-	- %	11,720	11,720
EC124 AMAHLATI	37,403	-	-	37,403	37,403	-	-	37,403	-	-	- %	30,770	30,770

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC126 NGQUSHWA	25,797	-	-	25,797	25,797	-	-	25,797	-	-	- %	24,413	24,413
EC129 RAYMOND MHLABA	45,699	-	-	45,699	45,699	-	-	45,699	-	-	- %	43,286	43,286
DC12 AMATOLE DISTRICT MUNICIPALITY	488,582	-	-	488,582	488,582	-	-	488,582	-	-	- %	482,415	482,415
EC131 INXUBA YETHEMBA	18,225	-	-	18,225	18,225	-	-	18,225	-	-	- %	24,658	24,658
EC135 INTSIKA YETHU	60,166	-	-	60,166	60,166	-	-	60,166	-	-	- %	47,559	47,559
EC136 EMALAHLENI	48,891	-	-	48,891	48,891	-	-	48,891	-	-	- %	36,846	36,846
EC137 ENGCOBO	44,827	-	-	44,827	44,827	-	-	44,827	-	-	- %	42,488	42,488
EC138 SAKHISIZWE	30,684	-	-	30,684	30,684	-	-	30,684	-	-	- %	19,557	19,557
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	63,424	-	-	63,424	63,424	-	-	63,424	-	-	- %	60,072	60,072
DC13 CHRIS HANI DISTRICT MUNICIPALITY	327,629	-	-	327,629	327,629	-	-	327,629	-	-	- %	322,848	322,848
EC141 ELUNDINI	45,340	-	-	45,340	45,340	-	-	45,340	-	-	- %	50,430	50,430
EC142 SENQU	54,789	-	-	54,789	54,789	-	-	54,789	-	-	- %	42,443	42,443
EC145 WALTER SIZULU	21,520	-	-	21,520	21,520	-	-	21,520	-	-	- %	20,316	20,316
DC14 JOE DISTRICT MUNICIPALITY	178,376	-	-	178,376	178,376	-	-	178,376	-	-	- %	175,999	175,999
EC153 NGOUZA HILL	81,812	-	-	81,812	81,812	-	-	81,812	-	-	- %	60,516	60,516
EC154 PORT ST JOHNS	39,862	-	-	39,862	39,862	-	-	39,862	-	-	- %	45,703	45,703

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC155 NYANDENI	71,339	-	-	71,339	71,339	-	-	71,339	-	-	- %	67,667	67,667
EC156 MHLONTLO	51,631	-	-	51,631	51,631	-	-	51,631	-	-	- %	48,947	48,947
EC157 KI SABATA DALINDYEBO	101,606	-	-	101,606	101,606	-	-	101,606	-	-	- %	96,362	96,362
DC15 OR TAMBO DISTRICT MUNICIPALITY	720,325	-	-	720,325	720,325	-	-	720,325	-	-	- %	713,603	713,603
EC441 MATATIELE	57,584	-	-	57,584	57,584	-	-	57,584	-	-	- %	54,593	54,593
EC442 UMZIMVUBU	54,199	-	-	54,199	54,199	-	-	54,199	-	-	- %	51,384	51,384
EC443 MBIZANA	56,512	-	-	56,512	56,512	-	-	56,512	-	-	- %	53,585	53,585
EC444 NTABANKULU	41,331	-	-	41,331	41,331	-	-	41,331	-	-	- %	29,671	29,671
DC44 ALFRED NZO DIST MUNICIPAL	427,490	-	-	427,490	427,490	-	-	427,490	-	-	- %	423,227	423,227
Free State													
FS161 LETSEMENG	25,246	-	-	25,246	25,246	-	-	25,246	-	-	- %	19,688	19,688
FS162 KOPANONG	1,171	-	-	1,171	1,171	-	-	1,171	-	-	- %	2,544	2,544
FS163 MOHOKARE	1,189	-	-	1,189	1,189	-	-	1,189	-	-	- %	2,419	2,419
DC16 XHARIEP DISTRICT MUNICIPALITY	44,705	-	-	44,705	44,705	-	-	44,705	-	-	- %	35,240	35,240
FS181 MASILONYANA	1,336	-	-	1,336	1,336	-	-	1,336	-	-	- %	2,761	2,761
FS182 TOKOLOGO	16,430	-	-	16,430	16,430	-	-	16,430	-	-	- %	17,700	17,700
FS183 TSWELOPELE	28,526	-	-	28,526	28,526	-	-	28,526	-	-	- %	17,626	17,626
FS184 MATJHABENG	139,073	-	-	139,073	139,073	-	-	139,073	-	-	- %	133,355	133,355

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
FS185 NALA	43,944	-	-	43,944	43,944	-	-	43,944	-	-	- %	32,470	32,470
DC18 LEJWELEPUTSWA DISTRICT MUNICIPALITY	25,308	-	-	25,308	25,308	-	-	25,308	-	-	- %	22,687	22,687
FS191 SETSOTO	44,320	-	-	44,320	44,320	-	-	44,320	-	-	- %	52,278	52,278
FS192 DIHLABENG	44,556	-	-	44,556	44,556	-	-	44,556	-	-	- %	39,332	39,332
FS193 NKETOANA	28,869	-	-	28,869	28,869	-	-	28,869	-	-	- %	19,648	19,648
FS194 MALUTI-A-PHOFUNG	197,555	-	-	197,555	197,555	-	-	197,555	-	-	- %	165,502	165,502
FS195 PHUMELELA	23,788	-	-	23,788	23,788	-	-	23,788	-	-	- %	22,771	22,771
FS196 MATSOPA	22,631	-	-	22,631	22,631	-	-	22,631	-	-	- %	21,555	21,555
FS201 MOQHAKA	46,575	-	-	46,575	46,575	-	-	46,575	-	-	- %	44,352	44,352
FS203 NGWATHE	42,400	-	-	42,400	42,400	-	-	42,400	-	-	- %	36,926	36,926
FS204 METSIMAHOLO	51,629	-	-	51,629	51,629	-	-	51,629	-	-	- %	49,399	49,399
FS205 MAFUBE	1,277	-	-	1,277	1,277	-	-	1,277	-	-	- %	10,495	10,495
DC20 FEZILE DABI DISTRICT MUNICIPALITY	24,203	-	-	24,203	24,203	-	-	24,203	-	-	- %	10,951	10,951
Gauteng													
GT421 EMFULENI	160,398	-	-	160,398	160,398	-	-	160,398	-	-	- %	59,649	59,649
GT422 MIDVAAL	46,343	-	-	46,343	46,343	-	-	46,343	-	-	- %	34,885	34,885
GT423 LESEDI	40,276	-	-	40,276	40,276	-	-	40,276	-	-	- %	53,813	53,813

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
GT484 MERAFONG CITY	76,941	-	-	76,941	76,941	-	-	76,941	-	-	- %	73,795	73,795
GT485 RAND WEST CITY	116,031	-	-	116,031	116,031	-	-	116,031	-	-	- %	136,863	136,863
Kwazulu Natal													
KZN212 UMDONI LOCAL MUNICIPALITY	38,529	-	-	38,529	38,529	-	-	38,529	-	-	- %	37,635	37,635
KZN213 UMZUMBE	41,042	-	-	41,042	41,042	-	-	41,042	-	-	- %	29,934	29,934
KZN214 UMUZIWABANTU	26,795	-	-	26,795	26,795	-	-	26,795	-	-	- %	25,356	25,356
DC21 UGU DISTRICT MUNICIPALITY	274,746	-	-	274,746	274,746	-	-	274,746	-	-	- %	270,958	270,958
KZN221 UMSHWATHI	31,849	-	-	31,849	31,849	-	-	31,849	-	-	- %	33,153	33,153
KZN222 UMNGENI	26,469	-	-	26,469	26,469	-	-	26,469	-	-	- %	25,017	25,017
KZN223 MPOFANA	13,365	-	-	13,365	13,365	-	-	13,365	-	-	- %	20,063	20,063
KZN224 IMPENDLE	12,982	-	-	12,982	12,982	-	-	12,982	-	-	- %	12,245	12,245
KZN225 MSUNDUZI	230,554	-	-	230,554	230,554	-	-	230,554	-	-	- %	229,322	229,322
KZN226 MKHAMBATHINI	18,159	-	-	18,159	18,159	-	-	18,159	-	-	- %	17,162	17,162
KZN227 RICHMOND	20,974	-	-	20,974	20,974	-	-	20,974	-	-	- %	22,331	22,331
DC22 UMGUNGUNDLOVU DISTRICT MUNICIPALITY	126,018	-	-	126,018	126,018	-	-	126,018	-	-	- %	114,034	114,034

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN235 OKHAHLAMBA	44,189	-	-	44,189	44,189	-	-	44,189	-	-	- %	30,956	30,956
KZN237 INKOSI ILANGALIBALELE	43,819	-	-	43,819	43,819	-	-	43,819	-	-	- %	41,513	41,513
KZN238 ALFRED DUMA	82,415	-	-	82,415	82,415	-	-	82,415	-	-	- %	63,613	63,613
DC23 UTHUKELA DISTRICT MUNICIPALITY	183,673	-	-	183,673	183,673	-	-	183,673	-	-	- %	196,538	196,538
KZN241 UNDUMENI	17,155	-	-	17,155	17,155	-	-	17,155	-	-	- %	17,416	17,416
KZN242 NQUTHU	46,128	-	-	46,128	46,128	-	-	46,128	-	-	- %	39,222	39,222
KZN244 MSINGA	43,516	-	-	43,516	43,516	-	-	43,516	-	-	- %	50,244	50,244
KZN245 UMVOTI	44,480	-	-	44,480	44,480	-	-	44,480	-	-	- %	32,647	32,647
DC24 UMZINYATHI DIST MUNICIPAL	214,137	-	-	214,137	214,137	-	-	214,137	-	-	- %	211,672	211,672
KZN252 NEWCASTLE	131,129	-	-	131,129	131,129	-	-	131,129	-	-	- %	133,499	133,499
KZN253 EMADLANGENI	10,160	-	-	10,160	10,160	-	-	10,160	-	-	- %	17,028	17,028
KZN254 DANNHAUSER	24,921	-	-	24,921	24,921	-	-	24,921	-	-	- %	23,581	23,581
DC25 AMAJUBA DISTRICT MUNICIPALITY	46,315	-	-	46,315	46,315	-	-	46,315	-	-	- %	45,323	45,323
KZN261 EDUMBE	20,507	-	-	20,507	20,507	-	-	20,507	-	-	- %	19,385	19,385
KZN262 UPHONGOLO	40,696	-	-	40,696	40,696	-	-	40,696	-	-	- %	30,954	30,954
KZN263 ABAQULUSI	43,212	-	-	43,212	43,212	-	-	43,212	-	-	- %	40,385	40,385

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN265 NONGOMA	34,876	-	-	34,876	34,876	-	-	34,876	-	-	- %	34,983	34,983
KZN266 ULUNDI	38,780	-	-	38,780	38,780	-	-	38,780	-	-	- %	46,885	46,885
DC26 ZULULAND DISTRICT MUNICIPALITY	262,939	-	-	262,939	262,939	-	-	262,939	-	-	- %	256,512	256,512
KZN271 UMHLABUYALINGANA	40,541	-	-	40,541	40,541	-	-	40,541	-	-	- %	45,883	45,883
KZN272 JOZINI	43,490	-	-	43,490	43,490	-	-	43,490	-	-	- %	50,211	50,211
KZN275 MTUBATUBA	36,784	-	-	36,784	36,784	-	-	36,784	-	-	- %	42,309	42,309
KZN276 BIG FIVE/ HLABISA LOCAL MUNICIPALITY	24,436	-	-	24,436	24,436	-	-	24,436	-	-	- %	30,584	30,584
DC27 UMKHANYAKUDE DISTRICT MUNICIPALITY	244,239	-	-	244,239	244,239	-	-	244,239	-	-	- %	241,535	241,535
KZN281 MFOLOZI	37,418	-	-	37,418	37,418	-	-	37,418	-	-	- %	32,180	32,180
KZN284 UMHLAZI	57,042	-	-	57,042	57,042	-	-	57,042	-	-	- %	58,576	58,576
KZN285 MTHONJANENI LOCAL MUNICIPALITY	20,490	-	-	20,490	20,490	-	-	20,490	-	-	- %	19,370	19,370
KZN286 NKANDLA	26,189	-	-	26,189	26,189	-	-	26,189	-	-	- %	24,785	24,785
DC28 UTHUNGULU DISTRICT MUNICIPALITY	194,543	-	-	194,543	194,543	-	-	194,543	-	-	- %	191,737	191,737
KZN291 MANDENI	41,101	-	-	41,101	41,101	-	-	41,101	-	-	- %	46,392	46,392

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN292 KWADUKUZA	51,625	-	-	51,625	51,625	-	-	51,625	-	-	- %	40,640	40,640
KZN293 NDWEDWE	34,473	-	-	34,473	34,473	-	-	34,473	-	-	- %	32,654	32,654
KZN294 MAPHUMULO	25,576	-	-	25,576	25,576	-	-	25,576	-	-	- %	19,327	19,327
DC29 ILEMBE DISTRICT MUNICIPALITY	210,272	-	-	210,272	210,272	-	-	210,272	-	-	- %	216,306	216,306
KZN433 GRAETER KOKSTAD	26,666	-	-	26,666	26,666	-	-	26,666	-	-	- %	18,562	18,562
KZN434 UBUHLEBEZWE	32,542	-	-	32,542	32,542	-	-	32,542	-	-	- %	36,857	36,857
KZN435 UMZIMKHULU	55,705	-	-	55,705	55,705	-	-	55,705	-	-	- %	47,958	47,958
KZN436 DR NKOSAZANA DLAMINI ZUMA	31,318	-	-	31,318	31,318	-	-	31,318	-	-	- %	29,654	29,654
DC43 HARRY GWALA DISTRICT MUNICIPALITY	228,342	-	-	228,342	228,342	-	-	228,342	-	-	- %	225,630	225,630
Limpopo													
LIM471 EMPRAIM MOGALE	63,796	-	-	63,796	63,796	-	-	63,796	-	-	- %	36,755	36,755
LIM472 ELIAS MOTSOALEDI	91,314	-	-	91,314	91,314	-	-	91,314	-	-	- %	60,985	60,985
LIM473 MAKHUDUTHAMAGA	97,858	-	-	97,858	97,858	-	-	97,858	-	-	- %	94,109	94,109
LIM476 GRTR TUBATSE/ FETAKGOMO	127,304	-	-	127,304	127,304	-	-	127,304	-	-	- %	94,208	94,208

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			-			Transfer			Spent			2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC47 GREATER SEKHUKHUNE DISTRICT MUNICIPALITY	420,657	-	-	420,657	420,657	-	-	420,657	-	-	- %	434,127	434,127
LIM331 GREATER GIYANI	71,163	-	-	71,163	71,163	-	-	71,163	-	-	- %	80,991	80,991
LIM332 GREATER LETABA	87,204	-	-	87,204	87,204	-	-	87,204	-	-	- %	64,016	64,016
LIM333 GREATER TZANEEN	111,062	-	-	111,062	111,062	-	-	111,062	-	-	- %	105,369	105,369
LIM334 BAPHALABORWA	37,141	-	-	37,141	37,141	-	-	37,141	-	-	- %	35,156	35,156
LIM335 MARULENG	65,913	-	-	65,913	65,913	-	-	65,913	-	-	- %	94,274	94,274
DC33 MOPANI DISTRICT MUNICIPALITY	519,362	-	-	519,362	519,362	-	-	519,362	-	-	- %	469,548	469,548
LIM341 MUSINA LOCAL MUNICIPALITY	30,559	-	-	30,559	30,559	-	-	30,559	-	-	- %	31,760	31,760
LIM343 THULAMELA LOCAL MUNICIPALITY	117,147	-	-	117,147	117,147	-	-	117,147	-	-	- %	111,145	111,145
LIM344 MAKHADO	125,490	-	-	125,490	125,490	-	-	125,490	-	-	- %	108,015	108,015
LIM345 NEW LOCAL MUNICIPALITY	116,519	-	-	116,519	116,519	-	-	116,519	-	-	- %	91,570	91,570
DC34 VHEMBE DISTRICT MUNICIPALITY	553,504	-	-	553,504	553,504	-	-	553,504	-	-	- %	579,773	579,773

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM351 BLOUBERG LOCAL MUNICIPALITY	51,769	-	-	51,769	51,769	-	-	51,769	-	-	- %	59,059	59,059
LIM353 MOLEMOLE LOCAL MUNICIPALITY	40,820	-	-	40,820	40,820	-	-	40,820	-	-	- %	45,181	45,181
LIM355 LEPELLENKUMPI	39,172	-	-	39,172	39,172	-	-	39,172	-	-	- %	60,029	60,029
DC35 CAPRICORN DISTRICT MUNICIPALITY	283,563	-	-	283,563	283,563	-	-	283,563	-	-	- %	309,394	309,394
LIM361 THABAZIMBI	26,807	-	-	26,807	26,807	-	-	26,807	-	-	- %	36,512	36,512
LIM362 LEPHALALE	35,947	-	-	35,947	35,947	-	-	35,947	-	-	- %	56,261	56,261
LIM366 BELA BELA	37,509	-	-	37,509	37,509	-	-	37,509	-	-	- %	28,257	28,257
LIM367 MOGALAKWENA	181,448	-	-	181,448	181,448	-	-	181,448	-	-	- %	182,955	182,955
LIM368 MODIMOLLE/ MOOKGOPO NG LOCAL MUNICIPALITY	64,340	-	-	64,340	64,340	-	-	64,340	-	-	- %	64,990	64,990
Mpumalanga													
MP301 ALBERT LUTHULI	110,426	-	-	110,426	110,426	-	-	110,426	-	-	- %	97,257	97,257
MP302 MSUKALINGWA	70,598	-	-	70,598	70,598	-	-	70,598	-	-	- %	58,491	58,491
MP303 MKHONDO	89,973	-	-	89,973	89,973	-	-	89,973	-	-	- %	87,400	87,400
MP304 PIXLEY KA SEME	34,131	-	-	34,131	34,131	-	-	34,131	-	-	- %	28,835	28,835
MP305 LEKWA	33,077	-	-	33,077	33,077	-	-	33,077	-	-	- %	31,565	31,565
MP306 DIPALESENG	21,151	-	-	21,151	21,151	-	-	21,151	-	-	- %	16,753	16,753

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MP307 GOVAN MBEKI	77,418	-	-	77,418	77,418	-	-	77,418	-	-	- %	84,236	84,236
DC30 GERT SIBANDE DISTRICT MUNICIPALITY	5,000	-	-	5,000	5,000	-	-	5,000	-	-	- %	-	-
MP311 VICTOR KHANYE	28,337	-	-	28,337	28,337	-	-	28,337	-	-	- %	27,129	27,129
MP312 EMALAHLENI	139,105	-	-	139,105	139,105	-	-	139,105	-	-	- %	134,378	134,378
MP314 EMAKHAZENI	40,533	-	-	40,533	40,533	-	-	40,533	-	-	- %	19,596	19,596
MP315 THEMBISILE	153,335	-	-	153,335	153,335	-	-	153,335	-	-	- %	153,174	153,174
MP316 DR JS MOROKA	144,500	-	-	144,500	144,500	-	-	144,500	-	-	- %	140,172	140,172
MP321 THABA CHWEU	54,629	-	-	54,629	54,629	-	-	54,629	-	-	- %	46,079	46,079
MP324 NKOMAZI	260,408	-	-	260,408	260,408	-	-	260,408	-	-	- %	252,934	252,934
MP325 BUSHBUCKRIDGE	450,894	-	-	450,894	450,894	-	-	450,894	-	-	- %	421,007	421,007
MP326 MBOMBELA/ UMJINDI LOCAL MUNICIPALITY	386,692	-	-	386,692	386,692	-	-	386,692	-	-	- %	383,020	383,020
Northern Cape													
NC061 RICHTERSVELD	12,751	-	-	12,751	12,751	-	-	12,751	-	-	- %	7,304	7,304
NC062 NAMA KHOI	7,710	-	-	7,710	7,710	-	-	7,710	-	-	- %	10,272	10,272
NC064 KAMIESBERG	8,009	-	-	8,009	8,009	-	-	8,009	-	-	- %	7,545	7,545
NC065 HANTAM	20,614	-	-	20,614	20,614	-	-	20,614	-	-	- %	10,036	10,036
NC066 KAROO HOOGLAND	5,185	-	-	5,185	5,185	-	-	5,185	-	-	- %	8,149	8,149

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC067 KHAIMA	15,265	-	-	15,265	15,265	-	-	15,265	-	-	- %	11,793	11,793
NC071 UBUNTU	8,664	-	-	8,664	8,664	-	-	8,664	-	-	- %	21,470	21,470
NC072 UMSOBOMVU	24,656	-	-	24,656	24,656	-	-	24,656	-	-	- %	11,987	11,987
NC073 EMTHANJENI	7,728	-	-	7,728	7,728	-	-	7,728	-	-	- %	12,741	12,741
NC074 KAREEBERG	14,571	-	-	14,571	14,571	-	-	14,571	-	-	- %	6,419	6,419
NC075 RENOSTERBERG	35,927	-	-	35,927	35,927	-	-	35,927	-	-	- %	19,464	19,464
NC076 THEMBELIHLE	1,500	-	-	1,500	1,500	-	-	1,500	-	-	- %	9,685	9,685
NC077 SIYATHEMBA	6,417	-	-	6,417	6,417	-	-	6,417	-	-	- %	17,579	17,579
NC078 SIYANCUMA	26,558	-	-	26,558	26,558	-	-	26,558	-	-	- %	15,261	15,261
NC082 !KAI ! GARIB	15,399	-	-	15,399	15,399	-	-	15,399	-	-	- %	31,779	31,779
NC084 !KHEIS	1,627	-	-	1,627	1,627	-	-	1,627	-	-	- %	17,086	17,086
NC085 TSANTSABANE	17,270	-	-	17,270	17,270	-	-	17,270	-	-	- %	10,000	10,000
NC086 KGATELOPELE	8,605	-	-	8,605	8,605	-	-	8,605	-	-	- %	32,097	32,097
NC087 DAWID KRUIPER	28,603	-	-	28,603	28,603	-	-	28,603	-	-	- %	27,331	27,331
NC092 DIKGATLONG	22,032	-	-	22,032	22,032	-	-	22,032	-	-	- %	21,054	21,054
NC093 MAGARENG	22,238	-	-	22,238	22,238	-	-	22,238	-	-	- %	17,619	17,619
NC094 PHOKWANE	26,209	-	-	26,209	26,209	-	-	26,209	-	-	- %	36,656	36,656
NC451 JOE MOROLONG	68,808	-	-	68,808	68,808	-	-	68,808	-	-	- %	77,007	77,007
NC452 GA-SEGONYANA	69,137	-	-	69,137	69,137	-	-	69,137	-	-	- %	59,159	59,159
NC453 GAMAGARA	9,798	-	-	9,798	9,798	-	-	9,798	-	-	- %	9,396	9,396

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
North West													
NW371 MORETELE	132,823	-	-	132,823	132,823	-	-	132,823	-	-	- %	128,516	128,516
NW372 MADIBENG	326,923	-	-	326,923	326,923	-	-	326,923	-	-	- %	316,941	316,941
NW373 RUSTENBURG	261,342	-	-	261,342	261,342	-	-	261,342	-	-	- %	271,731	271,731
NW374 KGETLENGRIVIER	36,530	-	-	36,530	36,530	-	-	36,530	-	-	- %	28,185	28,185
NW375 MOSES KOTANE	173,351	-	-	173,351	173,351	-	-	173,351	-	-	- %	167,903	167,903
NW381 RATLOU	43,985	-	-	43,985	43,985	-	-	43,985	-	-	- %	32,193	32,193
NW382 TSWAING	43,845	-	-	43,845	43,845	-	-	43,845	-	-	- %	32,051	32,051
NW383 MAFIKENG	71,906	-	-	71,906	71,906	-	-	71,906	-	-	- %	97,099	97,099
NW384 DITSOBOTLA	29,749	-	-	29,749	29,749	-	-	29,749	-	-	- %	30,995	30,995
NW385 RAMOTSHERE MOILOA	52,609	-	-	52,609	52,609	-	-	52,609	-	-	- %	40,941	40,941
DC38 NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY	342,414	-	-	342,414	342,414	-	-	342,414	-	-	- %	286,911	286,911
NW392 NALEDI	36,257	-	-	36,257	36,257	-	-	36,257	-	-	- %	30,155	30,155
NW393 NAMUSA	18,257	-	-	18,257	18,257	-	-	18,257	-	-	- %	16,732	16,732
NW394 GREATER TAUNG	65,616	-	-	65,616	65,616	-	-	65,616	-	-	- %	52,730	52,730
NW396 LEKWA-TEEMANE	22,642	-	-	22,642	22,642	-	-	22,642	-	-	- %	15,714	15,714
NW397 MOLOPOKAGISANO	25,802	-	-	25,802	25,802	-	-	25,802	-	-	- %	32,946	32,946

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC39 DR RUTH SEGOMTSI MUNICIPALITY	177,872	-	-	177,872	177,872	-	-	177,872	-	-	- %	155,156	155,156
NW403 CITY OF MATLOSANA	112,666	-	-	112,666	112,666	-	-	112,666	-	-	- %	101,017	101,017
NW404 MAQUASSI HILLS	32,264	-	-	32,264	32,264	-	-	32,264	-	-	- %	30,850	30,850
NW405 VENTERSDORP/ TLOKWE LOCAL MUNICIPALITY	77,490	-	-	77,490	77,490	-	-	77,490	-	-	- %	74,262	74,262
Western Cape													
WC011 MATZIKAMA	24,136	-	-	24,136	24,136	-	-	24,136	-	-	- %	23,063	23,063
WC012 CEDERBERG	17,562	-	-	17,562	17,562	-	-	17,562	-	-	- %	16,699	16,699
WC013 BERGRIVIER	16,274	-	-	16,274	16,274	-	-	16,274	-	-	- %	15,437	15,437
WC014 SALDANHA BAY	16,313	-	-	16,313	16,313	-	-	16,313	-	-	- %	27,328	27,328
WC015 SWARTLAND	29,302	-	-	29,302	29,302	-	-	29,302	-	-	- %	23,055	23,055
WC022 WITZENBERG	25,595	-	-	25,595	25,595	-	-	25,595	-	-	- %	24,309	24,309
WC025 BREEDE VALLEY	39,703	-	-	39,703	39,703	-	-	39,703	-	-	- %	37,893	37,893
WC026 LANGEBERG	28,847	-	-	28,847	28,847	-	-	28,847	-	-	- %	25,587	25,587
WC031 THEEWATERSKLOOF	30,254	-	-	30,254	30,254	-	-	30,254	-	-	- %	23,842	23,842
WC032 OVERSTRAND	25,132	-	-	25,132	25,132	-	-	25,132	-	-	- %	23,855	23,855

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
WC033 CAPE AGULHAS	17,085	-	-	17,085	17,085	-	-	17,085	-	-	- %	11,440	11,440
WC034 SWELLENDAM	13,159	-	-	13,159	13,159	-	-	13,159	-	-	- %	14,792	14,792
WC041 KANNALAND	11,199	-	-	11,199	11,199	-	-	11,199	-	-	- %	12,412	12,412
WC042 HESSEQUA	15,228	-	-	15,228	15,228	-	-	15,228	-	-	- %	16,625	16,625
WC043 MOSSEL BAY	27,507	-	-	27,507	27,507	-	-	27,507	-	-	- %	26,219	26,219
WC045 OUDTSHOORN	24,669	-	-	24,669	24,669	-	-	24,669	-	-	- %	23,559	23,559
WC047 BITOU	22,818	-	-	22,818	22,818	-	-	22,818	-	-	- %	21,783	21,783
WC048 KNYSNA	28,487	-	-	28,487	28,487	-	-	28,487	-	-	- %	24,202	24,202
WC051 LAINGSBURG	6,916	-	-	6,916	6,916	-	-	6,916	-	-	- %	13,958	13,958
WC052 PRINCE ALBERT	8,025	-	-	8,025	8,025	-	-	8,025	-	-	- %	7,555	7,555
WC053 BEAUFORT WEST	17,631	-	-	17,631	17,631	-	-	17,631	-	-	- %	14,789	14,789
Total Municipal Infrastructure Grant (MIG)	**17,054,355**	**-**	**-**	**17,054,355**	**17,054,355**	**-**	**-**	**17,054,355**	**-**	**-**	**-**	**16,341,585**	**16,341,585**
Local Government Equitable Share Grant													
M 004 EC: MUNICIPALITIES													
DC10 SARAH BAARTMAN DISTRICT MUNICIPALITY	111,120	-	-	111,120	111,120	-	-	111,120	-	-	- %	110,303	110,303

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC101 DR BEYERS	121,571	-	-	121,571	121,571	-	-	121,571	-	-	- %	114,382	114,382
NAUDE LOCAL MUNICIPALITY		-	-			-	-		-	-			
EC102 BLUE CRANE ROUTE	71,200	-	-	71,200	71,200	-	-	71,200	-	-	- %	67,222	67,222
EC104 MAKANA	129,656	-	-	129,656	129,656	-	-	129,656	-	-	- %	121,975	121,975
EC105 NDLAMBE	136,636	-	-	136,636	136,636	-	-	136,636	-	-	- %	128,536	128,536
EC106 SUNDAYS RIVER VALLEY	117,539	-	-	117,539	117,539	-	-	117,539	-	-	- %	110,451	110,451
EC108 KOUGA	192,664	-	-	192,664	192,656	-	-	192,656	-	-	- %	180,506	180,506
EC109 KOUKAMA	69,003	-	-	69,003	64,216	-	-	64,216	-	-	- %	62,943	62,943
EC121 MBHASHE	327,167	-	-	327,167	327,167	-	-	327,167	-	-	- %	310,734	310,734
EC122 MNQUMA	340,893	-	-	340,893	340,893	-	-	340,893	-	-	- %	323,763	323,763
EC123 GREAT KEI	55,432	-	-	55,432	55,432	-	-	55,432	-	-	- %	52,810	52,810
EC124 AMAHLATI	138,370	-	-	138,370	138,370	-	-	138,370	-	-	- %	131,533	131,533
EC126 NGQUSHWA	108,015	-	-	108,015	108,015	-	-	108,015	-	-	- %	102,706	102,706
EC129 RAYMOND MHLABA	226,658	-	-	226,658	225,142	-	-	225,142	-	-	- %	215,390	215,390
DC12 AMATOLE DISTRICT MUNICIPALITY	1,140,317	-	-	1,140,317	1,137,344	-	-	1,137,344	-	-	- %	1,089,335	1,089,335
EC131 INXUBA YETHEMBA	57,496	-	-	57,496	57,496	-	-	57,496	-	-	- %	54,269	54,269
EC135 INTSIKA YETHU	208,343	-	-	208,343	208,343	-	-	208,343	-	-	- %	197,942	197,942
EC136 EMALAHLENI	161,888	-	-	161,888	161,888	-	-	161,888	-	-	- %	153,876	153,876
EC137 ENGCOBO	194,093	-	-	194,093	194,093	-	-	194,093	-	-	- %	184,604	184,604

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer				Spent			2023/2024	
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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC138 SAKHISIZWE	88,876	-	-	88,876	88,866	-	-	88,866	-	-	- %	84,505	84,505
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	243,341	-	-	243,341	243,341	-	-	243,341	-	-	- %	229,921	229,921
DC13 CHRIS HANI DISTRICT MUNICIPALITY	736,966	-	-	736,966	736,939	-	-	736,939	-	-	- %	695,711	695,711
EC141 ELUNDINI	200,668	-	-	200,668	200,668	-	-	200,668	-	-	- %	190,445	190,445
EC142 SENQU	196,724	-	-	196,724	196,724	-	-	196,724	-	-	- %	186,760	186,760
EC145 WALTER SIZULU	80,712	-	-	80,712	80,712	-	-	80,712	-	-	- %	76,252	76,252
DC14 JOE DISTRICT MUNICIPALITY	377,427	-	-	377,427	377,227	-	-	377,227	-	-	- %	356,119	356,119
EC153 NGOUZA HILL	346,720	-	-	346,720	346,720	-	-	346,720	-	-	- %	329,235	329,235
EC154 PORT ST JOHNS	203,985	-	-	203,985	203,973	-	-	203,973	-	-	- %	193,713	193,713
EC155 NYANDENI	348,923	-	-	348,923	348,923	-	-	348,923	-	-	- %	331,251	331,251
EC156 MHLONTLO	241,156	-	-	241,156	241,156	-	-	241,156	-	-	- %	229,195	229,195
EC157 KI SABATA DALINDYEBO	460,442	-	-	460,442	460,370	-	-	460,370	-	-	- %	434,856	434,856
DC15 OR TAMBO DISTRICT MUNICIPALITY	1,193,994	-	-	1,193,994	1,193,994	-	-	1,193,994	-	-	- %	1,124,310	1,124,310
EC441 MATATIELE	320,321	-	-	320,321	320,321	-	-	320,321	-	-	- %	303,970	303,970
EC442 UMZIMVUBU	289,930	-	-	289,930	289,930	-	-	289,930	-	-	- %	275,357	275,357
EC443 MBIZANA	359,441	-	-	359,441	359,441	-	-	359,441	-	-	- %	341,204	341,204
EC444 NTABANKULU	165,408	-	-	165,408	165,408	-	-	165,408	-	-	- %	157,487	157,487

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC44 ALFRED NZO DIST MUNICIPAL	779,701	-	-	779,701	777,516	-	-	777,516	-	-	- %	734,119	734,119
BUF BUFFALO CITY	1,218,324	-	-	1,218,324	1,218,324	-	-	1,218,324	-	-	- %	1,138,058	1,138,058
NMA NELSON MANDELA BAY	1,523,361	-	-	1,523,361	1,317,557	-	-	1,317,557	-	-	- %	1,419,053	1,419,053
M 004 FS: MUNICIPALITIES													
FS161 LETSEMENG	90,162	-	-	90,162	74,568	-	-	74,568	-	-	- %	84,906	84,906
FS162 KOPANONG	117,449	-	-	117,449	110,449	-	-	110,449	-	-	- %	110,594	110,594
FS163 MOHOKARE	99,365	-	-	99,365	80,141	-	-	80,141	-	-	- %	93,733	93,733
DC16 XHARIEP DISTRICT MUNICIPALITY	52,396	-	-	52,396	44,276	-	-	44,276	-	-	- %	50,851	50,851
FS181 MASILONYANA	168,168	-	-	168,168	154,658	-	-	154,658	-	-	- %	158,510	158,510
FS182 TOKOLOGO	79,467	-	-	79,467	68,467	-	-	68,467	-	-	- %	75,080	75,080
FS183 TSWELOPELE	102,959	-	-	102,959	102,959	-	-	102,959	-	-	- %	97,242	97,242
FS184 MATJHABENG	733,077	-	-	733,077	725,772	-	-	725,772	-	-	- %	685,410	685,410
FS185 NALA	163,318	-	-	163,318	155,864	-	-	155,864	-	-	- %	153,857	153,857
DC18 LEJWELEPUTSWA DISTRICT MUNICIPALITY	153,059	-	-	153,059	153,026	-	-	153,026	-	-	- %	149,132	149,132
FS191 SETSOTO	267,230	-	-	267,230	260,047	-	-	260,047	-	-	- %	251,487	251,487
FS192 DIHLABENG	246,088	-	-	246,088	241,338	-	-	241,338	-	-	- %	230,471	230,471
FS193 NKETOANA	138,783	-	-	138,783	130,283	-	-	130,283	-	-	- %	130,625	130,625

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
FS194 MALUTI-A-PHOFUNG	851,701	-	-	851,701	847,138	-	-	847,138	-	-	- %	801,631	801,631
FS195 PHUMELELA	105,892	-	-	105,892	94,715	-	-	94,715	-	-	- %	99,870	99,870
FS196 MATSOPA	116,938	-	-	116,938	96,469	-	-	96,469	-	-	- %	110,130	110,130
DC19 THABO MOFUTSANYANE DISTRICT MUNICIPALITY	139,749	-	-	139,749	139,742	-	-	139,742	-	-	- %	135,615	135,615
FS201 MOQHAKA	298,568	-	-	298,568	274,328	-	-	274,328	-	-	- %	279,982	279,982
FS203 NGWATHE	278,095	-	-	278,095	224,817	-	-	224,817	-	-	- %	261,348	261,348
FS204 METSIMAHOLO	295,487	-	-	295,487	293,305	-	-	293,305	-	-	- %	276,178	276,178
FS205 MAFUBE	136,158	-	-	136,158	120,972	-	-	120,972	-	-	- %	128,231	128,231
DC20 FEZILE DABI DISTRICT MUNICIPALITY	177,399	-	-	177,399	176,931	-	-	176,931	-	-	- %	173,824	173,824
MAN MANGAUNG	1,113,938	-	-	1,113,938	972,957	-	-	972,957	-	-	- %	1,037,664	1,037,664
M 004 GP: MUNICIPALITIES													
EKU EKURHULENI METRO	5,534,652	-	-	5,534,652	5,532,566	-	-	5,532,566	-	-	- %	5,155,680	5,155,680
JHB CITY OF JOHANNESBURG	7,571,601	-	-	7,571,601	7,237,542	-	-	7,237,542	-	-	- %	7,053,154	7,053,154
TSH CITY OF TSHWANE	4,287,120	-	-	4,287,120	4,138,868	-	-	4,138,868	-	-	- %	3,993,570	3,993,570
GT421 EMFULENI	1,142,879	-	-	1,142,879	1,142,879	-	-	1,142,879	-	-	- %	1,066,025	1,066,025
GT422 MIDVAAL	172,049	-	-	172,049	171,947	-	-	171,947	-	-	- %	160,539	160,539

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
GT423 LESEDI	217,143	-	-	217,143	217,143	-	-	217,143	-	-	- %	203,275	203,275
DC42 SEDIBENG DISTRICT MUNICIPALITY	309,742	-	-	309,742	309,742	-	-	309,742	-	-	- %	303,338	303,338
GT481 MOGALE CITY	647,792	-	-	647,792	647,792	-	-	647,792	-	-	- %	603,436	603,436
GT484 MERAFONG CITY	305,514	-	-	305,514	282,451	-	-	282,451	-	-	- %	285,050	285,050
GT485 RAND WEST CITY	466,457	-	-	466,457	464,718	-	-	464,718	-	-	- %	435,302	435,302
DC48 WEST RAND DIST MUNICIPALITY	244,123	-	-	244,123	244,123	-	-	244,123	-	-	- %	238,416	238,416
M 004 KZN: MUNICIPALITIES													
ETH ETHEKWINI	4,827,914	-	-	4,827,914	4,714,765	-	-	4,714,765	-	-	- %	4,497,334	4,497,334
KZN212 UMDONI LOCAL MUNICIPALITY	182,950	-	-	182,950	182,890	-	-	182,890	-	-	- %	173,612	173,612
KZN213 UMZUMBE	171,112	-	-	171,112	171,112	-	-	171,112	-	-	- %	162,954	162,954
KZN214 UMUZIWABANTU	123,326	-	-	123,326	122,533	-	-	122,533	-	-	- %	117,131	117,131
KZN216 RAY NKONYENI	302,729	-	-	302,729	302,717	-	-	302,717	-	-	- %	285,237	285,237
DC21 UGU DISTRICT MUNICIPALITY	667,211	-	-	667,211	667,211	-	-	667,211	-	-	- %	630,083	630,083
KZN221 UMSHWATHI	139,899	-	-	139,899	139,899	-	-	139,899	-	-	- %	132,526	132,526
KZN222 UMNGENI	105,408	-	-	105,408	103,934	-	-	103,934	-	-	- %	98,874	98,874
KZN223 MPOFANA	48,961	-	-	48,961	41,514	-	-	41,514	-	-	- %	46,412	46,412

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN224 IMPENDLE	50,398	-	-	50,398	25,756	-	-	25,756	-	-	- %	48,008	48,008
KZN225 MSUNDUZI	822,072	-	-	822,072	805,228	-	-	805,228	-	-	- %	767,222	767,222
KZN226 MKHAMBATHINI	87,712	-	-	87,712	87,712	-	-	87,712	-	-	- %	83,212	83,212
KZN227 RICHMOND	97,995	-	-	97,995	97,995	-	-	97,995	-	-	- %	92,919	92,919
DC22 UMGUNGUNDLOVU DISTRICT MUNICIPALITY	749,708	-	-	749,708	749,708	-	-	749,708	-	-	- %	718,520	718,520
KZN235 OKHAHLAMBA	167,007	-	-	167,007	167,007	-	-	167,007	-	-		158,616	158,616
KZN237 INKOSI ILANGALIBALELE	245,836	-	-	245,836	245,836	-	-	245,836	-	-	- %	233,273	233,273
KZN238 ALFRED DUMA	325,368	-	-	325,368	324,357	-	-	324,357	-	-	- %	307,255	307,255
DC23 UTHUKELA DISTRICT MUNICIPALITY	614,024	-	-	614,024	614,024	-	-	614,024	-	-	- %	579,191	579,191
KZN241 UNDUMENI	70,647	-	-	70,647	70,647	-	-	70,647	-	-	- %	66,528	66,528
KZN242 NQUTHU	188,876	-	-	188,876	188,876	-	-	188,876	-	-	- %	179,521	179,521
KZN244 MSINGA	232,162	-	-	232,162	232,162	-	-	232,162	-	-	- %	220,590	220,590
KZN245 UMVOTI	186,113	-	-	186,113	185,329	-	-	185,329	-	-	- %	176,236	176,236
DC24 UMZINYATHI DIST MUNICIPAL	519,485	-	-	519,485	519,485	-	-	519,485	-	-	- %	489,713	489,713
KZN252 NEWCASTLE	540,119	-	-	540,119	540,119	-	-	540,119	-	-	- %	506,803	506,803
KZN253 EMADLANGENI	39,936	-	-	39,936	38,080	-	-	38,080	-	-	- %	38,069	38,069

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN254 DANNHAUSER	120,689	-	-	120,689	120,689	-	-	120,689	-	-	- %	114,793	114,793
DC25 AMAJUBA DISTRICT MUNICIPALITY	222,325	-	-	222,325	222,325	-	-	222,325	-	-	- %	213,997	213,997
KZN261 EDUMBE	104,192	-	-	104,192	104,192	-	-	104,192	-	-	- %	99,029	99,029
KZN262 UPHONGOLO	192,178	-	-	192,178	192,178	-	-	192,178	-	-	- %	182,291	182,291
KZN263 ABAQULUSI	215,636	-	-	215,636	215,636	-	-	215,636	-	-	- %	203,715	203,715
KZN265 NONGOMA	211,260	-	-	211,260	200,495	-	-	200,495	-	-	- %	200,974	200,974
KZN266 ULUNDI	218,026	-	-	218,026	218,026	-	-	218,026	-	-	- %	207,486	207,486
DC26 ZULULAND DISTRICT MUNICIPALITY	670,187	-	-	670,187	670,187	-	-	670,187	-	-	- %	631,671	631,671
KZN271 UMHLABUYALINGANA	242,421	-	-	242,421	240,699	-	-	240,699	-	-	- %	230,051	230,051
KZN272 JOZINI	259,516	-	-	259,516	233,315	-	-	233,315	-	-	- %	246,447	246,447
KZN275 MTUBATUBA	245,141	-	-	245,141	237,680	-	-	237,680	-	-	- %	232,846	232,846
KZN276 BIG FIVE/ HLABISA LOCAL MUNICIPALITY	155,064	-	-	155,064	155,064	-	-	155,064	-	-	- %	147,469	147,469
DC27 UMKHANYAKUDE DISTRICT MUNICIPALITY	620,064	-	-	620,064	620,064	-	-	620,064	-	-	- %	584,008	584,008
KZN281 MFOLOZI	186,274	-	-	186,274	186,274	-	-	186,274	-	-	- %	177,234	177,234
KZN282 UMHLATHUZE LOCAL MUNICIPALITY	556,251	-	-	556,251	556,251	-	-	556,251	-	-	- %	520,860	520,860

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN284 UMHLAZI	253,981	-	-	253,981	253,981	-	-	253,981	-	-	- %	241,259	241,259
KZN285 MTHONJANENI LOCAL MUNICIPALITY	103,227	-	-	103,227	103,227	-	-	103,227	-	-	- %	98,426	98,426
KZN286 NKANDLA	126,325	-	-	126,325	126,127	-	-	126,127	-	-	- %	120,197	120,197
DC28 UTHUNGULU DISTRICT MUNICIPALITY	720,633	-	-	720,633	720,633	-	-	720,633	-	-	- %	691,084	691,084
KZN291 MANDENI	243,588	-	-	243,588	243,588	-	-	243,588	-	-	- %	230,823	230,823
KZN292 KWADUKUZA	276,746	-	-	276,746	276,261	-	-	276,261	-	-	- %	259,016	259,016
KZN293 NDWEDWE	204,167	-	-	204,167	204,167	-	-	204,167	-	-	- %	194,116	194,116
KZN294 MAPHUMULO	119,979	-	-	119,979	119,979	-	-	119,979	-	-	- %	114,027	114,027
DC29 ILEMBE DISTRICT MUNICIPALITY	788,188	-	-	788,188	788,188	-	-	788,188	-	-	- %	743,712	743,712
KZN433 GRAETER KOKSTAD	85,848	-	-	85,848	85,848	-	-	85,848	-	-	- %	81,030	81,030
KZN434 UBUHLEBEZWE	146,644	-	-	146,644	146,644	-	-	146,644	-	-	- %	139,317	139,317
KZN435 UMZIMKHULU	259,309	-	-	259,309	259,309	-	-	259,309	-	-	- %	246,074	246,074
KZN436 DR NKOSAZANA DLAMINI ZUMA	170,740	-	-	170,740	170,740	-	-	170,740	-	-	- %	162,271	162,271
DC43 HARRY GWALA DISTRICT MUNICIPALITY	491,837	-	-	491,837	491,837	-	-	491,837	-	-	- %	463,631	463,631

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
M 004 LP: MUNICIPALITIES													
LIM471 EMPRAIM MOGALE	201,842	-	-	201,842	201,842	-	-	201,842	-	-	- %	191,533	191,533
LIM472 ELIAS MOTSOALEDI	377,690	-	-	377,690	377,690	-	-	377,690	-	-	- %	358,519	358,519
LIM473 MAKHUDUTHAMAGA	363,154	-	-	363,154	363,154	-	-	363,154	-	-	- %	344,706	344,706
LIM476 GRTR TUBATSE/ FETAKGOMO	617,179	-	-	617,179	617,179	-	-	617,179	-	-	- %	584,706	584,706
DC47 GREATER SEKHUKHUNE DISTRICT MUNICIPALITY	1,139,344	-	-	1,139,344	1,138,768	-	-	1,138,768	-	-	- %	1,072,869	1,072,869
LIM331 GREATER GIYANI	396,848	-	-	396,848	396,848	-	-	396,848	-	-	- %	376,486	376,486
LIM332 GREATER LETABA	385,877	-	-	385,877	385,877	-	-	385,877	-	-	- %	365,992	365,992
LIM333 GREATER TZANEEN	551,492	-	-	551,492	551,492	-	-	551,492	-	-	- %	521,211	521,211
LIM334 BAPHALABORWA	216,586	-	-	216,586	216,247	-	-	216,247	-	-	- %	205,239	205,239
LIM335 MARULENG	173,864	-	-	173,864	173,864	-	-	173,864	-	-	- %	164,988	164,988
DC33 MOPANI DISTRICT MUNICIPALITY	1,343,490	-	-	1,343,490	1,242,343	-	-	1,242,343	-	-	- %	1,265,409	1,265,409
LIM341 MUSINA LOCAL MUNICIPALITY	229,123	-	-	229,123	224,570	-	-	224,570	-	-	- %	216,341	216,341

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
LIM343 THULAMELA LOCAL MUNICIPALITY	622,657	-	-	622,657	618,600	-	-	618,600	-	-	- %	589,600	589,600
LIM344 MAKHADO	509,837	-	-	509,837	509,837	-	-	509,837	-	-	- %	481,943	481,943
LIM345 NEW LOCAL MUNICIPALITY	513,239	-	-	513,239	513,239	-	-	513,239	-	-	- %	486,442	486,442
DC34 VHEMBE DISTRICT MUNICIPALITY	1,474,623	-	-	1,474,623	1,468,731	-	-	1,468,731	-	-	- %	1,385,786	1,385,786
LIM351 BLOUBERG LOCAL MUNICIPALITY	246,266	-	-	246,266	245,732	-	-	245,732	-	-	- %	233,792	233,792
LIM353 MOLEMOLE LOCAL MUNICIPALITY	187,593	-	-	187,593	186,334	-	-	186,334	-	-	- %	178,109	178,109
LIM354 POLOKWANE LOCAL MUNICIPALITY	1,407,843	-	-	1,407,843	1,403,442	-	-	1,403,442	-	-	- %	1,318,621	1,318,621
LIM355 LEPELLENKUMPI	336,507	-	-	336,507	312,558	-	-	312,558	-	-	- %	319,605	319,605
DC35 CAPRICORN DISTRICT MUNICIPALITY	814,002	-	-	814,002	814,002	-	-	814,002	-	-	- %	777,252	777,252
LIM361 THABAZIMBI	145,380	-	-	145,380	125,951	-	-	125,951	-	-	- %	135,742	135,742
LIM362 LEPHALALE	241,654	-	-	241,654	236,347	-	-	236,347	-	-	- %	226,374	226,374
LIM366 BELA BELA	137,989	-	-	137,989	137,939	-	-	137,939	-	-	- %	129,614	129,614
LIM367 MOGALAKWENA	609,555	-	-	609,555	609,540	-	-	609,540	-	-	- %	574,110	574,110
LIM368 MODIMOLLE/ MOOKGOPO NG LOCAL MUNICIPALITY	154,561	-	-	154,561	154,561	-	-	154,561	-	-	- %	144,925	144,925

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC36 WATERBERG DISTRICT MUNICIPALITY	154,761	-	-	154,761	154,761	-	-	154,761	-	-	- %	150,704	150,704
M 004 MP: MUNICIPALITIES													
MP301 ALBERT LUTHULI	443,317	-	-	443,317	443,317	-	-	443,317	-	-	- %	418,105	418,105
MP302 MSUKALINGWA	270,341	-	-	270,341	270,137	-	-	270,137	-	-	- %	252,878	252,878
MP303 MKHONDO	353,262	-	-	353,262	338,253	-	-	338,253	-	-	- %	332,438	332,438
MP304 PIXLEY KA SEME	167,330	-	-	167,330	167,330	-	-	167,330	-	-	- %	157,696	157,696
MP305 LEKWA	179,350	-	-	179,350	179,350	-	-	179,350	-	-	- %	167,773	167,773
MP306 DIPALESENG	106,114	-	-	106,114	106,114	-	-	106,114	-	-	- %	100,018	100,018
MP307 GOVAN MBEKI	458,066	-	-	458,066	457,612	-	-	457,612	-	-	- %	426,701	426,701
DC30 GERT SIBANDE	333,988	-	-	333,988	333,988	-	-	333,988	-	-	- %	327,436	327,436
DISTRICT MUNICIPALITY MP311 VICTOR KHANYE	149,824	-	-	149,824	149,824	-	-	149,824	-	-	- %	140,606	140,606
MP312 EMALAHLENI	600,014	-	-	600,014	600,014	-	-	600,014	-	-	- %	558,930	558,930
MP313 STEVE TSHWETE	350,175	-	-	350,175	350,175	-	-	350,175	-	-	- %	326,198	326,198
MP314 EMAKHAZENI	92,885	-	-	92,885	92,846	-	-	92,846	-	-	- %	87,426	87,426
MP315 THEMBISILE	592,128	-	-	592,128	592,128	-	-	592,128	-	-	- %	557,502	557,502
MP316 DR JS MOROKA	520,563	-	-	520,563	520,563	-	-	520,563	-	-	- %	491,709	491,709
DC31 NKANGALA DISTRICT MUNICIPALITY	409,520	-	-	409,520	409,520	-	-	409,52	-	-	- %	401,237	401,237

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	-				Transfer			Spent				2023/2024	
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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MP321 THABA CHWEU	221,892	-	-	221,892	221,892	-	-	221,892	-	-	- %	207,969	207,969
MP324 NKOMAZI	837,870	-	-	837,870	837,870	-	-	837,870	-	-	- %	788,535	788,535
MP325 BUSHBUCKRIDGE	1,119,258	-	-	1,119,258	1,119,258	-	-	1,119,258	-	-	- %	1,054,098	1,054,098
MP326 MBOMBELA/ UMJINDI LOCAL MUNICIPALITY	1,120,727	-	-	1,120,727	1,120,243	-	-	1,120,243	-	-	- %	1,049,002	1,049,002
DC32 EHLANZENI DISTRICT MUNICIPALITY	303,325	-	-	303,325	303,325	-	-	303,325	-	-	- %	295,254	295,254
M 004 NC: MUNICIPALITIES													
NC061 RICHTERSVELD	26,627	-	-	26,627	26,627	-	-	26,627	-	-	- %	25,229	25,229
NC062 NAMA KHOI	67,456	-	-	67,456	61,959	-	-	61,959	-	-	- %	63,411	63,411
NC064 KAMIESBERG	33,964	-	-	33,964	33,864	-	-	33,864	-	-	- %	32,313	32,313
NC065 HANTAM	35,954	-	-	35,954	33,102	-	-	33,102	-	-	- %	33,888	33,888
NC066 KAROO HOOGLAND	34,689	-	-	34,689	28,338	-	-	28,338	-	-	- %	32,820	32,820
NC067 KHAIMA	29,007	-	-	29,007	28,343	-	-	28,343	-	-	- %	27,500	27,500
DC6 NAMAKWA DISTRICT MUNICIPALITY	58,871	-	-	58,871	58,871	-	-	58,871	-	-	- %	57,516	57,516
NC071 UBUNTU	52,389	-	-	52,389	52,276	-	-	52,276	-	-	- %	49,595	49,595
NC072 UMSOBOMVU	73,653	-	-	73,653	72,402	-	-	72,402	-	-	- %	69,563	69,563
NC073 EMTHANJENI	63,275	-	-	63,275	63,197	-	-	63,197	-	-	- %	59,609	59,609
NC074 KAREEBERG	37,608	-	-	37,608	30,691	-	-	30,691	-	-	- %	35,728	35,728

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC075 RENOSTERBERG	35,956	-	-	35,956	35,785	-	-	35,785	-	-	- %	34,139	34,139
NC076 THEMBELIHLE	38,097	-	-	38,097	34,753	-	-	34,753	-	-	- %	36,145	36,145
NC077 SIYATHEMBA	48,179	-	-	48,179	40,395	-	-	40,395	-	-	- %	45,538	45,538
NC078 SIYANCUMA	66,107	-	-	66,107	66,107	-	-	66,107	-	-	- %	62,417	62,417
DC7 PIXLEY KA SEME DISTRICT MUNICIPALITY	63,593	-	-	63,593	63,582	-	-	63,582	-	-	- %	61,791	61,791
NC082 !KAI ! GARIB	127,168	-	-	127,168	119,168	-	-	119,168	-	-	- %	119,217	119,217
NC084 !KHEIS	36,866	-	-	36,866	30,865	-	-	30,865	-	-	- %	35,007	35,007
NC085 TSANTSABANE	58,842	-	-	58,842	53,226	-	-	53,226	-	-	- %	55,306	55,306
NC086 KGATELOPELE	35,236	-	-	35,236	35,236	-	-	35,236	-	-	- %	33,241	33,241
NC087 DAWID KRUIPER	124,545	-	-	124,545	119,277	-	-	119,277	-	-	- %	116,595	116,595
DC8 Z.F. MQCAWU DISTRICT MUNICIPALITY	83,266	-	-	83,266	83,266	-	-	83,266	-	-	- %	81,190	81,190
NC091 SOL PLAATJIE	282,104	-	-	282,104	278,134	-	-	278,134	-	-	- %	263,135	263,135
NC092 DIKGATLONG	123,223	-	-	123,223	123,223	-	-	123,223	-	-	- %	116,361	116,361
NC093 MAGARENG	65,001	-	-	65,001	65,001	-	-	65,001	-	-	- %	61,591	61,591
NC094 PHOKWANE	142,291	-	-	142,291	126,232	-	-	126,232	-	-	- %	134,246	134,246
DC9 FRANCES BAARD DISTRICT MUNICIPALITY	139,133	-	-	139,133	139,133	-	-	139,133	-	-	- %	136,271	136,271
NC451 JOE MOROLONG	191,089	-	-	191,089	191,089	-	-	191,089	-	-	- %	180,561	180,561

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
NC452 GA-SEGONYANA	244,849	-	-	244,849	244,769	-	-	244,769	-	-	- %	230,911	230,911
NC453 GAMAGARA	66,070	-	-	66,070	55,687	-	-	55,687	-	-	- %	61,684	61,684
DC45 JOHN TAOLO GAETSWEWE MUNICIPALITY	109,352	-	-	109,352	109,352	-	-	109,352	-	-	- %	106,128	106,128
M 004 NW: MUNICIPALITIES													
NW371 MORETELE	469,371	-	-	469,371	469,371	-	-	469,371	-	-	- %	443,171	443,171
NW372 MADIBENG	1,123,765	-	-	1,123,765	1,123,765	-	-	1,123,765	-	-	- %	1,052,334	1,052,334
NW373 RUSTENBURG	1,150,861	-	-	1,150,861	1,150,306	-	-	1,150,306	-	-	- %	1,072,059	1,072,059
NW374 KGETLENGRIVIER	138,118	-	-	138,118	134,354	-	-	134,354	-	-	- %	129,725	129,725
NW375 MOSES KOTANE	600,070	-	-	600,070	599,859	-	-	599,859	-	-	- %	566,087	566,087
DC37 BOJANALA PLATINUM DISTRICT	407,135	-	-	407,135	407,135	-	-	407,135	-	-	- %	396,790	396,790
MUNICIPALITY NW381 RATLOU	168,819	-	-	168,819	168,819	-	-	168,819	-	-	- %	160,330	160,330
NW382 TSWAING	159,987	-	-	159,987	159,987	-	-	159,987	-	-	- %	151,406	151,406
NW383 MAFIKENG	379,249	-	-	379,249	374,643	-	-	374,643	-	-	- %	357,840	357,840
NW384 DITSOBOTLA	184,896	-	-	184,896	181,796	-	-	181,796	-	-	- %	174,108	174,108
NW385 RAMOTSHERE MOILOA	244,093	-	-	244,093	244,093	-	-	244,093	-	-	- %	231,416	231,416
DC38 NGAKA MODIRI MOLEMA DISTRICT	1,110,786	-	-	1,110,786	1,110,786	-	-	1,110,786	-	-	- %	1,051,811	1,051,811

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	-				Transfer				Spent			2023/2024	
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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MUNICIPALITY NW392 NALEDI	72,532	-	-	72,532	72,532	-	-	72,532	-	-	- %	68,455	68,455
NW393 NAMUSA	75,763	-	-	75,763	75,763	-	-	75,763	-	-	- %	71,798	71,798
NW394 GREATER TAUNG	257,199	-	-	257,199	257,187	-	-	257,187	-	-	- %	244,271	244,271
NW396 LEKWA-TEEMANE	68,806	-	-	68,806	68,806	-	-	68,806	-	-	- %	65,147	65,147
NW397 MOLOPOKAGISANO	161,140	-	-	161,140	154,171	-	-	154,171	-	-	- %	153,047	153,047
DC39 DR RUTH SEGOMTSI MUNICIPALITY	507,253	-	-	507,253	507,253	-	-	507,253	-	-	- %	479,123	479,123
NW403 CITY OF MATLOSANA	641,421	-	-	641,421	626,875	-	-	626,875	-	-	- %	599,104	599,104
NW404 MAQUASSI HILLS	182,628	-	-	182,628	180,873	-	-	180,873	-	-	- %	171,953	171,953
NW405 VENTERSDORP/ TLOKWE LOCAL MUNICIPALITY	411,298	-	-	411,298	411,298	-	-	411,298	-	-	- %	383,920	383,920
DC40 DR KENNETH KAUNDA MUNICIPALITY	218,309	-	-	218,309	218,143	-	-	218,143	-	-	- %	213,548	213,548
M 004 WC: MUNICIPALITIES													
CPT CITY OF CAPE TOWN	4,365,700	-	-	4,365,700	4,365,700	-	-	4,365,700	-	-	- %	4,066,769	4,066,769

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
WC011 MATZIKAMA	81,640	-	-	81,640	81,640	-	-	81,640	-	-	- %	76,264	56,264
WC012 CEDERBERG	71,545	-	-	71,545	71,545	-	-	71,545	-	-	- %	67,058	67,058
WC013 BERGRIVIER	68,086	-	-	68,086	68,086	-	-	68,086	-	-	- %	63,544	63,544
WC014 SALDANHA BAY	138,465	-	-	138,465	138,465	-	-	138,465	-	-	- %	129,270	129,270
WC015 SWARTLAND	153,764	-	-	153,764	153,764	-	-	153,764	-	-	- %	143,235	143,235
DC1 WEST COAST DISTRICT MUNICIPALITY	109,608	-	-	109,608	109,608	-	-	109,608	-	-	- %	107,029	107,029
WC022 WITZENBERG	145,706	-	-	145,706	144,790	-	-	144,790	-	-	- %	135,729	135,729
WC023 DRAKENSTEIN	231,574	-	-	231,574	231,574	-	-	231,574	-	-	- %	215,718	215,718
WC024 STELLENBOSCH	215,604	-	-	215,604	215,502	-	-	215,502	-	-	- %	200,841	200,841
WC025 BREEDE VALLEY	174,394	-	-	174,394	174,394	-	-	174,394	-	-	- %	162,453	162,453
WC026 LANGEBERG	113,734	-	-	113,734	111,990	-	-	111,990	-	-	- %	106,265	106,265
DC2 CAPE WINELANDS DISTRICT MUNICIPALITY	263,660	-	-	263,660	263,660	-	-	263,660	-	-	- %	258,729	258,729
WC031 THEEWATERSKLOOF	140,900	-	-	140,900	109,700	-	-	109,700	-	-	- %	131,583	131,583
WC032 OVERSTRAND	168,794	-	-	168,794	168,794	-	-	168,794	-	-	- %	157,935	157,935
WC033 CAPE AGULHAS	43,073	-	-	43,073	42,880	-	-	42,880	-	-	- %	40,380	40,380
WC034 SWELLENDAM	46,412	-	-	46,412	45,233	-	-	45,233	-	-	- %	43,487	43,487

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
DC3 OVERBERG DISTRICT MUNICIPALITY	86,644	-	-	86,644	86,617	-	-	86,617	-	-	- %	84,437	84,437
WC041 KANNALAND	37,479	-	-	37,479	36,991	-	-	36,991	-	-	- %	35,348	35,348
WC042 HESSEQUA	63,158	-	-	63,158	63,158	-	-	63,158	-	-	- %	59,164	59,164
WC043 MOSSEL BAY	139,609	-	-	139,609	139,609	-	-	139,609	-	-	- %	130,634	130,634
WC044 GEORGE	230,472	-	-	230,472	230,445	-	-	230,445	-	-	- %	214,691	214,691
WC045 OUDTSHOORN	102,781	-	-	102,781	102,781	-	-	102,781	-	-	- %	96,434	96,434
WC047 BITOU	154,148	-	-	154,148	154,001	-	-	154,001	-	-	- %	144,726	144,726
WC048 KNYSNA	130,575	-	-	130,575	130,506	-	-	130,506	-	-	- %	122,358	122,358
DC4 EDEN DISTRICT MUNICIPALITY	182,224	-	-	182,224	182,224	-	-	182,224	-	-	- %	178,333	178,333
WC051 LAINGSBURG	22,685	-	-	22,685	22,685	-	-	22,685	-	-	- %	21,520	21,520
WC052 PRINCE ALBERT	30,299	-	-	30,299	30,299	-	-	30,299	-	-	- %	28,653	28,653
WC053 BEAUFORT WEST	88,849	-	-	88,849	88,849	-	-	88,849	-	-	- %	83,574	83,574
DC5 CENTRAL KAROO DISTRICT MUNICIPALITY	38,885	-	-	38,885	38,885	-	-	38,885	-	-	- %	37,712	36,681
Total Local Government Equitable Share Grant	**101,177,734**	**-**	**-**	**101,177,734**	**99,503,727**	**-**	**-**	**99,503,727**	**-**	**-**	**- %**	**95,188,741**	**92,261,856**

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	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
Licenses													
TSHWANE METRO MUNICIPALITY	28	-	-	28	37	-	-	37	-	-	- %	29	29
MUNICIPAL DISASTER RECOVERY GRANTS													
BUF BUFFALO CITY	78,000	-	-	78,000	78,000	-	-	78,000	-	-	- %	-	-
NMA NELSON MANDELA BAY	89,000	-	-	89,000	89,000	-	-	89,000	-	-	- %	-	-
EC101 DR BEYERS NAUDE LOCAL MUNICIPALITY	16,416	-	-	16,416	16,416	-	-	16,416	-	-	- %	6,585	6,585
EC102 BLUE CRANE ROUTE	22,880	-	-	22,880	22,880	-	-	22,880	-	-	- %	30,491	30,491
EC104 MAKANA	29,110	-	-	29,110	29,110	-	-	29,110	-	-	- %	-	-
EC105 NDLAMBE	30,000	-	-	30,000	30,000	-	-	30,000	-	-	- %	-	-
EC108 KOUGA	12,180	-	-	12,180	12,180	-	-	12,180	-	-	- %	-	-
EC109 KOUKAMA	10,000	-	-	10,000	10,000	-	-	10,000	-	-	- %	-	-
EC121 MBHASHE	24,166	-	-	24,166	24,166	-	-	24,166	-	-	- %	32,204	32,204
EC122 MNQUMA	6,472	-	-	6,472	6,472	-	-	6,472	-	-	- %	8,625	8,625
EC123 GREAT KEI	18,160	-	-	18,160	18,160	-	-	18,160	-	-	- %	-	-
EC124 AMAHLATI	19,145	-	-	19,145	19,145	-	-	19,145	-	-	- %	25,512	25,512
EC126 NGQUSHWA	15,256	-	-	15,256	15,256	-	-	15,256	-	-	- %	20,330	20,330
EC129 RAYMOND MHLABA	27,415	-	-	27,415	27,415	-	-	27,415	-	-	- %	36,534	36,534
EC131 INXUBA YETHEMBA	8,429	-	-	8,429	8,429	-	-	8,429	-	-	- %	11,233	11,233
EC135 INTSIKA YETHU	29,258	-	-	29,258	29,258	-	-	29,258	-	-	- %	38,991	38,991
EC136 EMALAHLENI	32,071	-	-	32,071	32,071	-	-	32,071	-	-	- %	42,739	42,739

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
EC137 ENGCOBO	18,898	-	-	18,898	18,898	-	-	18,898	-	-	- %	25,172	25,172
EC138 SAKHISIZWE	35,515	-	-	35,515	35,515	-	-	35,515	-	-	- %	47,326	47,326
EC139 ENOCH MGIJIMA LOCAL MUNUCIPALITY	32,028	-	-	32,028	32,028	-	-	32,028	-	-	- %	42,681	42,681
DC13 CHRIS HANI DISTRICT MUNICIPALITY	20,742	-	-	20,742	20,742	-	-	20,742	-	-	- %	27,695	27,695
EC142 SENQU	19,588	-	-	19,588	19,588	-	-	19,588	-	-	- %	-	-
EC153 NGOUZA HILL	8,113	-	-	8,113	8,113	-	-	8,113	-	-	- %	10,812	10,812
EC154 PORT ST JOHNS	25,634	-	-	25,634	25,634	-	-	25,634	-	-	- %	34,161	34,161
EC155 NYANDENI	35,259	-	-	35,259	35,259	-	-	35,259	-	-	- %	46,987	46,987
EC156 MHLONTLO	25,037	-	-	25,037	25,037	-	-	25,037	-	-	- %	33,364	33,364
EC157 KI SABATA DALINDYEBO	30,178	-	-	30,178	30,178	-	-	30,178	-	-	- %	40,215	40,215
EC441 MATATIELE	24,542	-	-	24,542	24,542	-	-	24,542	-	-	- %	32,706	32,706
EC442 UMZIMVUBU	26,848	-	-	26,848	26,848	-	-	26,848	-	-	- %	35,777	35,777
EC443 MBIZANA	21,829	-	-	21,829	21,829	-	-	21,829	-	-	- %	-	-
EC444 NTABANKULU	21,314	-	-	21,314	21,314	-	-	21,314	-	-	- %	28,404	28,404
FS181 MASILONYANA	25,000	-	-	25,000	25,000	-	-	25,000	-	-	- %	-	-
FS192 DIHLABENG	5,000	-	-	5,000	5,000	-	-	5,000	-	-	- %	-	-
FS196 MATSOPA	7,556	-	-	7,556	7,556	-	-	7,556	-	-	- %	-	-
FS204 METSIMAHOLO	10,500	-	-	10,500	10,500	-	-	10,500	-	-	- %	-	-
ETH ETHEKWINI	-	-	-	-	-	-	-	-	-	-	- %	16,442	16,442
KZN213 UMZUMBE	-	-	-	-	-	-	-	-	-	-	- %	15,772	15,772
KZN214 UMUZIWABANTU	-	-	-	-	-	-	-	-	-	-	- %	13,562	13,562

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-			Transfer				Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN216 RAY NKONYENI	-	-	-	-	-	-	-	-	-	-	- %	82,298	82,298
DC21 UGU DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	129,775	-
KZN222 UMNGENI	7,426	-	-	7,426	7,426	-	-	7,426	-	-	- %	7,418	7,418
KZN223 MPOFANA	17,950	-	-	17,950	17,950	-	-	17,950	-	-	- %	-	-
KZN224 IMPENDLE	15,558	-	-	15,558	15,558	-	-	15,558	-	-	- %	46,629	46,629
KZN225 MSUNDUZI	13,214	-	-	13,214	13,214	-	-	13,214	-	-	- %	39,600	39,600
KZN235 OKHAHLAMBA	8,858	-	-	8,858	8,858	-	-	8,858	-	-	- %	26,548	26,548
KZN237 INKOSI ILANGALIBALELE	-	-	-	-	-	-	-	-	-	-	- %	8,000	8,000
KZN238 ALFRED DUMA	50,740	-	-	50,740	50,740	-	-	50,740	-	-	- %	-	-
KZN241 UNDUMENI	6,407	-	-	6,407	6,407	-	-	6,407	-	-	- %	6,400	6,400
KZN244 MSINGA	6,015	-	-	6,015	6,015	-	-	6,015	-	-	- %	18,029	18,029
KZN252 NEWCASTLE	6,891	-	-	6,891	6,891	-	-	6,891	-	-	- %	20,652	20,652
KZN253 EMADLANGENI	6,180	-	-	6,180	6,180	-	-	6,180	-	-	- %	18,523	18,523
KZN254 DANNHAUSER	11,250	-	-	11,250	11,250	-	-	11,250	-	-	- %	-	-
DC25 AMAJUBA DISTRICT MUNICIPALITY	10,010	-	-	10,010	10,010	-	-	10,010	-	-	- %	30,000	30,000
KZN261 EDUMBE	-	-	-	-	-	-	-	-	-	-	- %	1,400	1,400
KZN272 JOZINI	9,704	-	-	9,704	9,704	-	-	9,704	-	-	- %	29,803	29,803
KZN275 MTUBATUBA	19,791	-	-	19,791	19,791	-	-	19,791	-	-	- %	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

		-				Transfer		Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
KZN284 UMHLAZI	14,278	-	-	14,278	14,278	-	-	14,278	-	-	- %	-	-
KZN292 KWADUKUZA	-	-	-	-	-	-	-	-	-	-	- %	22,027	22,027
KZN293 NDWEDWE	25,029	-	-	25,029	25,029	-	-	25,029	-	-	- %	-	-
KZN294 MAPHUMULO	13,378	-	-	13,378	13,378	-	-	13,378	-	-	- %	-	-
DC29 ILEMBE DISTRICT MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	41,039	-
LIM472 ELIAS MOTSOALEDI	27,650	-	-	27,650	27,650	-	-	27,650	-	-	- %	-	-
LIM332 GREATER LETABA	7,997	-	-	7,997	7,997	-	-	7,997	-	-	- %	7,990	7,990
LIM333 GREATER TZANEEN	10,261	-	-	10,261	10,261	-	-	10,261	-	-	- %	10,250	10,250
LIM341 MUSINA LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	6,993	6,993
LIM344 MAKHADO	6,006	-	-	6,006	6,006	-	-	6,006	-	-	- %	18,000	18,000
LIM345 NEW LOCAL MUNICIPALITY	-	-	-	-	-	-	-	-	-	-	- %	9,000	9,000
LIM351 BLOUBERG LOCAL MUNICIPALITY	15,716	-	-	15,716	15,716	-	-	15,716	-	-	- %	47,100	47,100
LIM354 POLOKWANE LOCAL MUNICIPALITY	4,765	-	-	4,765	4,765	-	-	4,765	-	-	- %	14,280	14,280
LIM362 LEPHALALE	19,475	-	-	19,475	19,475	-	-	19,475	-	-	- %	-	-
LIM366 BELA BELA	11,560	-	-	11,560	11,560	-	-	11,560	-	-	- %	-	-
LIM368 MODIMOLLE/ MOOKGOPO NG LOCAL MUNICIPALITY	28,920	-	-	28,920	28,920	-	-	28,920	-	-	- %	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	-				Transfer			Spent				2023/2024	
Name of municipality	DoRA and other transfers	Roll overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by munici-pality	Amount spent by munici-pality	Unspent funds	% of available funds spent by municipality	DoRA and other transfers	Actual transfer
	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000	R '000
MP301 ALBERT LUTHULI	5,932	-	-	5,932	5,932	-	-	5,932	-	-	- %	15,800	15,800
MP302 MSUKALINGWA	14,500	-	-	14,500	14,500	-	-	14,500	-	-	- %	-	-
MP303 MKHONDO	16,967	-	-	16,967	16,967	-	-	16,967	-	-	- %	22,600	22,600
MP304 PIXLEY KA SEME	-	-	-	-	-	-	-	-	-	-	- %	700	700
MP305 LEKWA	-	-	-	-	-	-	-	-	-	-	- %	11,000	11,000
MP307 GOVAN MBEKI	7,883	-	-	7,883	7,883	-	-	7,883	-	-	- %	7,875	7,875
MP312 EMALAHLENI	25,000	-	-	25,000	25,000	-	-	25,000	-	-	- %	-	-
MP314 EMAKHAZENI	16,000	-	-	16,000	16,000	-	-	16,000	-	-	- %	-	-
MP321 THABA CHWEU	21,100	-	-	21,100	21,100	-	-	21,100	-	-	- %	-	-
MP324 NKOMAZI	57,856	-	-	57,856	57,856	-	-	57,856	-	-	- %	66,501	66,501
MP325 BUSHBUCKRIDGE	11,051	-	-	11,051	11,051	-	-	11,051	-	-	- %	14,720	14,720
MP326 MBOMBELA/ UMJINDI LOCAL MUNICIPALITY	12,101	-	-	12,101	12,101	-	-	12,101	-	-	- %	20,117	20,117
Total Municipal Disaster Recovery Grant	**1,424,958**	**-**	**-**	**1,424,958**	**1,424,958**	**-**	**-**	**1,424,958**	**-**	**-**	**- %**	**1,505,387**	**1,334,573**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1B

Statement of transfers to Departmental Agencies and Accounts

	Transfer allocation		Transfer		2023/2024	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Departmental Agency/ Account	R '000	R '000	R '000	%	R '000	R '000
MUNICIPAL DEMARCATION BOARD	74,191	74,191	74,191	100 %	73,104	73,104
SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION	36,949	36,949	36,949	100 %	36,408	36,408
MUNICIPAL INFRASTRUCTURE SUPPORT AGENT	406,679	406,679	406,679	100 %	401,454	401,454
SOUTH AFRICAN BROADCASTING COOPORATION	-	-	-	- %	22	22
Total	**517,819**	**517,819**	**517,819**		**510,988**	**510,988**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1E

Statement of transfers to foreign government and international organisations

Foreign government/ International organisations	Transfer allocation		Expenditure		2023/2024	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
	R '000	R '000	R '000	%	R '000	R '000
Transfers						
Commonwealth Local Govt Forum	390	390	373	95,6 %	383	378
United Cities and Local Governments of Africa – Moroccan office	-	-	-	- %	1,576	-
	390	**390**	**373**		**1,959**	**378**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1F

Statement of transfers to non-profit institutions

	Transfer allocation			Expenditure		2023/2024	
	Adjusted budget	Adjustments	Total available	Actual transfer	% ofAvailable funds transferred	Final budget	Actual transfer
Non-profit institutions	R '000	R '000	R '000	R '000	%	R '000	R '000
Transfers							
South African Cities Network	8,664	-	8,664	8,664	100 %	8,538	8,538
Disaster Man Inst of SA	-	95	95	95	100 %	95	95
United Cities & Local Gov of Africa	-	-	-	-	- %	6,425	-
	8,664	**95**	**8,759**	**8,759**		**15,058**	**8,633**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1G

Statement of transfers to households

	Transfer allocation		Expenditure		2023/2024	
	Adjusted budget	Total available	Actual transfer	% of Available funds transferred	Final budget	Actual transfer
Households	**R '000**	**R '000**	**R '000**	**%**	**R '000**	**R '000**
Transfers						
Leave Gratuity	3,081	3,081	2,509	81.4 %	2,279	1,963
PMNT refund&Rem Act of grace	-	-	15	- %	160	160
Non-Employee Bursaries	2,000	2,000	1,994	99.7 %	2,000	1,934
Claims Against the State	-	-	-	- %	81	81
	5,081	**5,081**	**4,518**		**4,520**	**4,138**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1H

Statement of gifts, donations and sponsorships received

Name of organisation	Nature of gifts, donations and sponsorships	2024/2025 R '000	2023/2024 R '000
Received in cash			
Sponsorships			
Validation Workshop -2nd Africa Biennial Report on Disaster Risk	Sponsored trip for two officials to Ethiopia:Addis Ababa	-	36
Esri South Africa	Sponsored trip to San Diego: California	-	142
African Union Commission	Sponsored trip for one official to Eswatini	-	14
eThekwini Municipality	Sponsored flowers,graphic artists, dinner, musical item, photocopy machine during BRICS	-	997
KZN National Conventions Bureau	Sponsored entertainment during BRICS urbanisation forum in July 2023 & BRICS Disaster meetings in September 2023	-	50
Santam	Sponsored corporate gifts during BRICS meeting	-	100
Southern African Development Community (SADC) Secretariat	Sponsored trip to Mozambique	-	41
United Nations Office for Disaster Risk Reduction (UNDRR)	Sponsored trip to Kobe, Japan	-	33
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH(GIZ)	Sponsored trip for six officials to Richards Bay, KZN	-	50
United Nations Office for Disaster Risk Reduction	Sponsored trip for one official to Philippiness	-	28
UN Office for Outer Space Training Workshop	Sponsored trip for one official to Bonn, Germany	-	46
Federal Ministry for Economic Cooperation & Developmen	Sponsored trip to Bremen, Germany	17	-
23rd Mid-Tear Training Institute (MYTI)	Sponsored trip to Chicago, USA	76	-
17th Federal Congress on National & Urban Devel. Policy	Sponsored trip to Germany	82	-
Training workshop on National Financing for Disaster Risk Red	Sponsored trip to South Korea	66	-
China International Frienships Conference	Sponsored trip to China	77	-
International Water Association	Sponsored trip to Spain	36	-
Short learning Programme on Poverty Reduc & Sustainable Dev.	Sponsored trip to Beijin, China	50	-
9th Session of the Africa Regional Platform for DRR(AfRP-9)	Sponsored trip to Namibia	29	-
Advancing sustainable urbanisation	Sponsored trip to Sussex, UK	24	-
UNHumanitarian Networks & Partnership Session	Sponsored trip to Switzerland	46	-
Total sponsorships		**503**	**1,537**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1J

Statement of gifts, donations and sponsorships made

	2024/2025	2023/2024
Nature of gifts, donations and sponsorships made	**R '000**	**R '000**
Made in kind		
Gifts		
Bereavement Gifts	1	1
Gifts to international Guests	2	34
Welcome Flowers for Minister & DM	1	-
Flowers for Women's day event	1	-
Total gifts	**5**	**35**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 1L

Statement of indirect grants between national departments and municipalities

Name of Grant	Grant allocation		Spent
	Division of Revenue Act	Total available	Amount spent
	R '000	R '000	R '000
RMO	-	-	81,342
BUF Buffalo City	1,106	1,106	176
NMA Nelson Mandela Bay	2,215	2,215	1,246
DC10 Sarah Baartman	4,860	4,860	549
DC12 Amathole	1,175	1,175	1,105
DC13 Chris Hani	1,175	1,175	1,381
DC14 Joe Gqabi	1,175	1,175	785
DC15 OR Tambo	11,673	11,673	2,262
DC44 Alfred Nzo	1,175	1,175	176
MAN Mangaung	2,215	2,215	186
DC16 Xhariep	2,488	2,488	186
DC18 Lejweleputswa	2,583	2,583	881
DC19 Thabo Mofutsanyana	2,488	2,488	840
DC20 Fezile Dabi	2,568	2,568	338
EKU Ekurhuleni Metro	1,260	1,260	186
JHB City of Johannesburg	1,260	1,260	186
TSH City of Tshwane	1,106	1,106	186
DC42 Sedibeng	1,591	1,591	1,391
DC48 West Rand	3,726	3,726	2,596
ETH eThekwini	10,710	10,710	186
DC21 Ugu	2,546	2,546	186
DC22 uMgungundlovu	2,583	2,583	734
DC23 uThukela	2,583	2,583	1,536
DC24 uMzinyathi	1,260	1,260	186
DC25 Amajuba	1,260	1,260	186
DC26 Zululand	1,591	1,591	186
DC27 uMkhanyakude	1,175	1,175	873
DC28 King Cetshwayo	2,546	2,546	1,255
DC29 iLembe	2,877	2,877	3,610
DC43 Harry Gwala	2,215	2,215	186
DC33 Mopani	2,498	2,498	197
DC34 Vhembe	2,498	2,498	2,947
DC35 Capricorn	1,544	1,544	197
DC36 Waterberg	12,428	12,428	4,452
DC47 Sekhukhune	1,175	1,175	1,617
DC30 Gert Sibande	5,286	5,286	2,668
DC31 Nkangala	2,488	2,488	489
DC32 Ehlanzeni	2,830	2,830	2,906

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

	Grant allocation		Spent
Name of Grant	Division of Revenue Act	Total available	Amount spent
	R '000	R '000	R '000
DC6 Namakwa	1,175	1,175	808
DC7 Pixley Ka Seme	1,591	1,591	852
DC8 ZF Mgcawu	4,860	4,860	822
DC9 Frances Baard	2,403	2,403	658
DC45 JohnTaolo	1,591	1,591	1,929
DC37 Bojanala	2,201	2,201	3,589
DC38 Ngaka Modiri Molema	3,145	3,145	1,535
DC39 Dr Ruth Segomotsi Mompati	4,570	4,570	2,345
DC40 Dr Kenneth Kaunda	5,201	5,201	186
CPT City of Cape Town	1,106	1,106	186
DC1 West Coast	2,215	2,215	1,255
DC2 Cape winelands	2,403	2,403	186
DC3 Overberg	1,106	1,106	186
DC4 Garden Route	1,591	1,591	650
DC5 Central Karoo	1,506	1,506	186
Total MSIG	**144,596**	**144,596**	**135,968**
	38,309	38,309	38,264
	20,000	20,000	19,578
Total MIG	**58,309**	**58,309**	**57,842**
Total	**202,905**	**202,905**	**193,810**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 3B

Statement of contingent liabilities as at 31 March 2025

	Opening balance 01 April 2024	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2025
Nature of liabilities	**R '000**	**R '000**	**R '000**	**R '000**	**R '000**
Claims against the department					
Maphalala NR	58		-	-	58
Iketsetse NPO	43,232	4,647	-	-	47,879
Subtotal	**43,290**	**4,647**	**-**	**-**	**47,937**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 4

Claims recoverable

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
	R '000	R '000	R '000	R '000	R '000	R '000
Department						
Department of Traditional Affairs	489	699	65	3	554	702
Department of Women, Youth &Person with Disabilities	-	92	-	-	-	92
Department of Public Works	-	-	-	26	-	26
Subtotal	**489**	**791**	**65**	**29**	**554**	**820**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 5

Inter-government payables

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding	Total	
	2024/2025	2023/2024	2024/2025	2024/2025	2023/2024
	R '000	R '000	R '000	R '000	R '000
Departments					
Current					
South African Police Services	-	94	-	-	94
Department of Justice	2,514	1,311	-	2,514	1,311
Western Cape Government	-	47	-	-	47
Government Printing	32	-	-	32	-
Government Technical Advisory Centre	198	-	-	198	-
Subtotal	**2,744**	**1,452**	**-**	**2,744**	**1,452**
Other government entity					
Current					
SITA	1,560	903	-	1,560	903
MISA	14,535	491	2,838	17,373	491
Subtotal	**16,095**	**1,394**	**2,838**	**18,933**	**1,394**
Total Inter-government payables	**18,839**	**2,846**	**2,838**	**21,677**	**2,846**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 7

Movement in capital work-in-progress

Movement in capital-work-in progress for the year ended 31 March 2025

	Opening balance	Current year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R '000	R '000	R '000	R '000
Buildings and other fixed structures				
Other fixed structures			57,842	57,842

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 8A

Inter-entity advances paid (note 10)

Entity	Confirmed balance outstanding		Total	
	2024/2025	2023/2024	2024/2025	2023/2024
	R '000	R '000	R '000	R '000
National departments				
Government Communication Information System	2,117	1,192	2,117	1,192
Public entities				
SANRAL	26	11	26	11
DBSA	3,608	8,329	3,608	8,329
Subtotal	**3,634**	**8,340**	**3,634**	**8,340**
Total	**5,751**	**9,532**	**5,751**	**9,532**

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 11

Natural disaster or relief expenditure

Per quarter and in total

	2024/2025				2023/2024
Expenditure per economic classification	Subtotal Q2	Subtotal Q3	Subtotal Q4	Total	Total
	R '000	R '000	R '000	R '000	R '000
Provinces & Municipalities	175,720	276,935	1,499,990	1,952,645	2,207,745

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Annexure 12

Analysis of prepayments and advances (note 10)

Name of entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Contract reference number	Total contract value	Contract commencement date	Contract end date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add / (Less): Other	Balance outstanding as at 31 March 2025	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
					R '000				R '000	R '000	R '000	R '000	R '000	
Advances														
Development Bank of Southern Africa-NDMC		Department project	Public entities	N/A	10,000	01/05/2023	31/03/2025	Once off	-	10,000	(8,774)	-	1,226	DCOG appoints the DBSA to act as its implementing agent for the execution of the support, and the remaining balance will be cleared once the entity provide invoices for service rendered.
Development Bank of Southern Africa-RMO		Department project	Public entities	N/A	36,678	12/10/2023	11/10/2026	Once off	8,329	72,263	(79,327)	1,117	2,382	DCOG appoints the DBSA to act as its implementing agent for the execution of the support, and the remaining balance will be cleared once the entity provide invoices for service rendered.

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Name of entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Contract reference number	Total contract value	Contract commencement date	Contract end date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add / (Less): Other	Balance outstanding as at 31 March 2025	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
					R '000				R '000	R '000	R '000	R '000	R '000	
SANRAL		eToll services	Public entities	N/A	100		1 year payment		11	50	(36)	-	25	This advance is given to SANRAL for eTolls, and invoices are provided by SANRAL monthly to clear the outstanding balance
Government Communication Information System (GCIS)		Department project	National departments	N/A	2,830	20/12/2023	31/03/2024	Once off	1,192	-	(1,204)	12	-	DCOG issues an advance to GCIS to facilitate department project, and in return GCIS provide project invoices to clear the outstanding balance
Government Communication Information System (GCIS)		Department project	National departments		4,930	06/11/2023	31/03/2024	Once off	-	4,930	(2,813)	-	2,117	DCOG issues an advance to GCIS to facilitate department project, and in return GCIS provide project invoices to clear the outstanding balance
Government Communication Information System (GCIS)		Department project	National departments	N/A	200	06/11/2023	31/03/2024	Once off	-	200	(200)	-	-	DCOG issues an advance to GCIS to facilitate department project, and in return GCIS provide project invoices to clear the outstanding balance

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

Name of entity	Sector of the entity	Description of goods, services, and/or capital assets paid for	Classification categories	Contract reference number	Total contract value	Contract commencement date	Contract end date	Frequency of the prepayment or advance	Balance outstanding as at 31 March 2024	Total amount prepaid / advanced in the current year	Less: goods, services or capital assets received in the current year	Add / (Less): Other	Balance outstanding as at 31 March 2025	Reason for prepayment or advance and for it remaining outstanding at year end (more details can be provided in the narrative blocks where necessary)
					R '000				R '000	R '000	R '000	R '000	R '000	
Green development		Department project	Other institutions	N/A	304	01/10/2021	31/03/2023	Once off	304	218	(522)	-	-	DCOG appoints the Implementing Agency for the execution CWP projects. advances were cleared during the year.
Total advances									**9,836**	**87,661**	**(92,876)**	**1,129**	**5,750**	

Notes:

Published by the
Department of Cooperative Governance

87 Hamilton Street
Arcadia
Pretoria, 0001
Gauteng
South Africa

Switchboard: 012 334 0060
Contents Enquiry:
Tel: 012 395 4612
www.cogta.gov.za

RP191/025
ISBN: 978-1-77997- 899-8